



Doing Business in Sweden:

2013 Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business In Sweden

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Market Overview

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- The Nordic countries (Sweden, Norway, Denmark, Finland, and Iceland) comprise the world's 12th largest economy (estimated GDP of \$1.7 billion), are a powerhouse of well-run economies and one of the world's most dynamic, competitive, and innovative regions.
- Although the Nordic economies remain strong, exports to euro-zone countries have decreased during the financial crisis.
- Sweden is the largest economy among the Nordics and represents a transparent, highly developed, sophisticated, and diversified market with few barriers to entry.
- According to the World Economic Forum, the Nordic countries rank among the top 15 countries in the world for leveraging information technologies (Sweden #1, Finland # 3, Denmark #7, Norway # 9, and Iceland #15.)
- Based on Sweden's export-oriented manufacturing, diversified economy, strong small and medium enterprises (SMEs) and fiscal discipline, the country ranks #4 on the IMD's 2013 competitiveness ratings.
- With innovation a top priority for industry and government, Sweden ranks #2 on WIPO's 2013 Global Innovation Index.
- Over 1,300 U.S. companies are present in Sweden, and Sweden is the top location in the Nordics for regional headquarters covering the Nordics and often the Baltics, as well.
- The U.S. and Sweden share strong ties in trade and investment. Annual U.S.-Swedish trade in goods and services is valued at an estimated \$25 billion, and cumulative bilateral investment is valued over \$62 billion.
- Major categories of U.S. exports to Sweden include aerospace/defense, automotive aftermarket, healthcare/life sciences, information technologies, safety/security, clean-tech, and renewable energy.

- With strong historical, cultural, and business ties to the U.S., Sweden is a top European market for travel to the U. S. with about 440,000 visits annually, accounting for over U.S. \$ 1 billion of benefit to the U.S. economy.

Market Challenges

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- U.S. exporters often face strong competition from Swedish and third-country suppliers and must offer advanced technologies as well as competitive prices and terms.
- Sweden has a high cost of living with expensive labor and high individual tax rates that are among the highest worldwide. A VAT rate of 25% applies to the import or sale of most products.

Market Opportunities

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- Sweden has a long-established tradition of expertise in engineering, ship-building, mining and the life sciences, making it a highly receptive market to new advanced technologies.
- There is ongoing, strong demand for advanced technologies and products/services that improve productivity, including IT software and services that lower costs and improve business efficiencies, as well as equipment and services for safety/security, including cyber security.
- Green Opportunities: Sweden's commitment to sustainability across industry sectors drives market demand for U.S. products and services in renewable energy/low carbon/green technologies and energy efficiency.
- Sweden's rapid developments in smart grid, bioenergy, cyber security and e-health make the country a critically important market for these industries.
- Since Swedes are early adopters of new technologies, Sweden is considered to be an ideal test market, albeit an expensive one.
- The relatively strong Swedish kroner makes U.S. products price competitive.
- English is widely spoken, and English is the language used for business agreements.

Market Entry Strategy

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- Demonstrate a clear competitive advantage (i.e., price, quality, branding).
- Pay close attention to both the obvious and subtle cultural differences between the U.S. and Sweden and adjust marketing strategies accordingly.

- Evaluate prospective partners carefully and choose an experienced, well-established distributor.
- Be flexible and adjust expectations; Sweden is a small country with a population of 9 million (24 million total population in the Nordics.)
- Evaluate the potential for distributors to cover the entire region. Depending on the industry sector, prospective business partners may be based in Stockholm, Gothenburg, or Malmo or in another Nordic capital.
- Express commitment to the market with a long-term perspective.
- Visits are important since Nordic partners want first-hand assurance of company reliability and commitment.

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

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Chapter 3: Selling U.S. Products and Services

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Using an Agent or Distributor

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Normally, an exclusive agent or distributor is appointed to cover the Swedish market. Swedish agents/distributors often represent several foreign firms. A visit to the market is the best way to appraise the relative merits of prospective agents/distributors. Close contact between the American principal and the Swedish agent/distributor is very important and should be developed early.

Companies wishing to use distribution, franchising and agency arrangements need to ensure that the agreements they put into place are in accordance with EU and member state national laws. Council Directive 86/653/EEC establishes certain minimum standards of protection for self-employed commercial agents who sell or purchase goods on behalf of their principals. In essence, the Directive establishes the rights and obligations of the principal and its agents; the agent's remuneration; and the conclusion and termination of an agency contract, including the notice to be given and indemnity or compensation to be paid to the agent. U.S. companies should be particularly aware that the Directive states that parties may not derogate certain requirements. Accordingly, the inclusion of a clause specifying an alternate body of law to be applied in the event of a dispute will likely be ruled invalid by European courts.

Key Link:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31986L0653:EN:HTML>

The European Commission's Directorate General for Competition enforces legislation concerned with the effects on competition in the internal market of "vertical agreements." U.S. small- and medium-sized companies (SMEs) are exempt from these regulations because their agreements likely would qualify as "agreements of minor importance,"

meaning they are considered incapable of affecting competition at the EU level but useful for cooperation between SMEs. Generally speaking, companies with fewer than 250 employees and an annual turnover of less than €50 million are considered small- and medium-sized undertakings. The EU has additionally indicated that agreements that affect less than 10% of a particular market are generally exempted as well (Commission Notice 2001/C 368/07).

Key Link:

http://eurlex.europa.eu/LexUriServ/site/en/oj/2001/c_368/c_36820011222en00130015.pdf

The EU also looks to combat payment delays. The new Directive 2011/7/EU, which replaced the current law in March 2013, covers all commercial transactions within the EU, whether in the public or private sector, primarily dealing with the consequences of late payment. Transactions with consumers, however, do not fall within the scope of this Directive. Directive 2011/7/EU entitles a seller who does not receive payment for goods and/or services within 30 days of the payment deadline to collect interest (at a rate of 8% above the European Central Bank rate) as well as 40 Euro as compensation for recovery of costs. For business-to-business transactions a 60 day period may be negotiated subject to conditions. The seller may also retain the title to goods until payment is completed and may claim full compensation for all recovery costs.

Key Link:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:048:0001:0010:EN:PDF>

Companies' agents and distributors can take advantage of the European Ombudsman when victim of inefficient management by an EU institution or body. Complaints can be made to the European Ombudsman only by businesses and other bodies with registered offices in the EU. The Ombudsman can act upon these complaints by investigating cases in which EU institutions fail to act in accordance with the law, fail to respect the principles of good administration, or violate fundamental rights. In addition, SOLVIT, a network of national centers, offers online assistance to citizens and businesses who encounter problems with transactions within the borders of the single market.

Key Links:

<http://www.ombudsman.europa.eu/home/en/default.htm>

http://ec.europa.eu/solvit/site/about/index_en.htm

Establishing an Office

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The most popular and simplest company structure is the limited liability company. This works well for many foreign firms – especially SMEs starting up in the market. For further details or what form would be best for your company contact should be made with Business Sweden- www.business-sweden.se or any of the many reputable legal firms resident in Sweden. See list below:

Baker & McKenzie Advokatbyrå AB, www.bakernet.com

Delphi & Co Advokatfirma, www.delphilaw.com

Kilpatrick Townsend & Stockton Advokatbyrå, www.kilpatricktownsend.com

White & Case Advokat AB, www.whitecase.com

There are no restrictions on foreign-owned firms establishing companies in Sweden. Foreign investors in Sweden historically have favored the limited liability corporate form, which is the only corporate form with no personal liability in Sweden. There are two different forms of limited liability companies: public and private. The difference between the two is that only the public limited liability company can turn to the public for capital.

A subsidiary of a foreign company established in Sweden in accordance with Swedish law is considered a Swedish company in all respects and generally no legislative distinction is made between companies whose shares are wholly or principally owned by foreigners and those owned by Swedes.

The Swedish Companies Act (Aktiebolagslagen) governs the founding of a company. However, a foreign investor need not bother with these proceedings, as it is much easier to acquire an already registered shelf-company and adapt its articles of association to the needs and intents of the investor. The minimum share capital is SEK 50,000.

A foreign company interested in establishing a business in Sweden may also conduct its operations through a Swedish branch (filial). A branch may be established without the permission of the Swedish authorities – the branch need only be entered in the Register of Branches, which is kept by the Swedish Companies Registration Office (Bolagsverket) (<http://www.bolagsverket.se>)

Franchising

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The interest in franchising in Sweden continues. According to the Swedish Franchise there are some 680 franchise systems, the majority of which are of Swedish origin, employing some 110,000 people in Sweden. In 2012 turnover of the Swedish franchise market was estimated at SD 30 billion. Franchising is especially popular in the area of fast food, retail trade and consulting/business services.

There is no specific comprehensive franchise legislation in Sweden. The only direct franchise-related legislation is a disclosure obligation for the franchisor (Law no 2006:484). Under Swedish disclosure rules, a franchisor must provide a prospective franchisee with certain information before a franchise contract is entered into. The legislation covers all franchise contracts in Sweden: domestic and foreign contracts; master franchise contracts and unit contracts; new contracts; and renewals of old contracts.

It is strongly recommended that U.S. companies considering franchising in Sweden conduct a qualified legal study to ensure full validity and enforcement of franchising agreements. The use of an American franchising agreement without adjustments for Swedish laws and practices could be detrimental to the franchiser's business.

Franchise networks, which have been successful in the United States, will not automatically succeed in Sweden, but a name that is well known in the U.S. market does have a great advantage. However, to meet the needs of the Swedish market, U.S. franchisers should be prepared to modify their product mix or implement other changes in their marketing policy in order to boost competitiveness.

For detailed information on franchising contact should be made with the Swedish Franchise, Avagen 24, Gardshus 1, SE-314 51 Goteborg. Tel: 46-31-40 55 10.
www.svenskfranchise.se

Direct Marketing

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American exporters of consumer goods may find it advantageous to sell directly to department stores, consumer cooperatives, chains, and other retail outlets. Some of the larger Swedish retailers have purchasing agents in the United States.

There is a wide range of EU legislation that impacts the direct marketing sector. Compliance requirements are stiffest for marketing and sales to private consumers. Companies need to focus, in particular, on the clarity and completeness of the information they provide to consumers prior to purchase and on their approaches to collecting and using customer data. The following gives a brief overview of the most important provisions flowing from EU-wide rules on distance-selling and on-line commerce.

Processing Customer Data

The EU has strict laws governing the protection of personal data, including the Use of such data in the context of direct marketing activities. For more information on these rules, please see the privacy section above.

Distance Selling Rules

The EU's Directive on Distance Selling to Consumers (97/7/EC and amendments) sets out a number of obligations for companies doing business at a distance with consumers. It can read like a set of onerous "do's" and "don'ts," but in many ways, it represents nothing more than a customer relations good practice guide with legal effect. Direct marketers must provide clear information on the identity of themselves as well as their supplier, full details on prices including delivery costs, and the period for which an offer remains valid – all of this, of course, before a contract is concluded. Customers generally have the right to return goods without any required explanation within seven days, and retain the right to compensation for faulty goods thereafter. Similar in nature is the Doorstep Selling Directive (85/577/EEC) which is designed to protect consumers from sales occurring outside of a normal business premises (e.g., door-to-door sales) and essentially assure the fairness of resulting contracts.

In 2011, the EU overhauled its consumer protection legislation and merged several existing rules into a single rulebook - "the Consumer Rights Directive". The provisions of this Directive will apply to contracts concluded after June 13, 2014, and will replace current EU rules on distance selling to consumers and doorstep selling along with unfair contract terms and consumer goods and associated guarantees. The Directive contains provisions on core information to be provided by traders prior to the conclusion of consumer contracts, regulates the right of withdrawal, includes rules on the costs for the use of means of payment and bans pre-ticked boxes. Companies are advised to consult the information available via the hyper-links, to check the relevant sections of national Country Commercial Guides, and to contact the Commercial Service at the U.S. Mission to the European Union for more specific guidance.

In 2013, the EU adopted rules on Alternative Dispute Resolution which provide consumers the right to turn to quality alternative dispute resolution entities for all types of contractual disputes including purchases made online or offline, domestically or across borders. A specific Online Dispute Resolution Regulation will set up an EU-wide online platform to handle consumer disputes that arise from online transactions. The platform will be operational at the end of 2015.

Key Links:

Consumer Affairs Homepage:

http://ec.europa.eu/consumers/index_en.htm

Consumer Rights:

http://ec.europa.eu/justice/consumer-marketing/rights-contracts/directive/index_en.htm

Distance Selling of Financial Services

Financial services are the subject of a separate directive that came into force in June 2002 (2002/65/EC). This piece of legislation amends three prior existing Directives and is designed to ensure that consumers are appropriately protected with respect to financial transactions taking place where the consumer and the provider are not face-to-face. In addition to prohibiting certain abusive marketing practices, the Directive establishes criteria for the presentation of contract information. Given the special nature of financial markets, specifics are also laid out for contractual withdrawal.

Key Link:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32002L0065:EN:NOT>

Direct Marketing over the Internet

The e-commerce Directive (2000/31/EC) imposes certain specific requirements connected to the direct marketing business. Promotional offers must not mislead customers and the terms that must be met to qualify for them have to be easily accessible and clear. The Directive stipulates that marketing e-mails must be identified as such to the recipient and requires that companies targeting customers on-line must regularly consult national opt-out registers where they exist. When an order is placed, the service provider must acknowledge receipt quickly and by electronic means, although the Directive does not attribute any legal effect to the placing of an order or its acknowledgment. This is a matter for national law. Vendors of electronically supplied services (such as software, which the EU considers a service and not a good) must also collect value added tax (see Electronic Commerce section below).

Key Link: http://ec.europa.eu/internal_market/e-commerce/index_en.htm

Joint Ventures/Licensing

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Joint ventures and licensing agreements are common in Sweden. There is no requirement to register licensing agreements and there are no government restrictions on remittance of royalties or fees. A joint venture or a licensing agreement itself is not a legal entity; why a legal form of business must be formed to pursue the project.

The new Public Procurement Acts came into force on 1 January 2008. The Acts regulates almost all public procurement which means that contracting entities, such as local government agencies, county councils, government agencies as well as certain publicly owned companies etc, must comply with the act when they purchase, lease, rent or hire-purchase supplies, services and public works. The rules are different for public procurement above and below a number of so-called threshold values.

The fundamental principles of European Community law with regard to public procurement are the principles of non-discrimination, equal treatment, transparency (openness and predictability), proportionality and mutual recognition.

The Swedish Competition Authority is responsible for information on and supervision of Public Procurement .

The EU public procurement market, including EU institutions and member states, totals around EUR 1,600 billion. This market is regulated by three Directives:

- Directive 2004/18 on Coordination of Procedures for the Award of Public Works, Services and Supplies Contracts, and
- Directive 2004/17 on Coordination of Procedures of Entities Operating in the Utilities Sector, which covers the following sectors: water, energy, transport and postal services.
- Directive 2009/81 on Coordination of Procedures for the Award of Certain Works, Supply and Service Contracts by contracting authorities in the fields of defense and security (to be implemented in national laws of EU member states by August-2011).

Remedies directives cover legal means for companies who face discriminatory public procurement practices. These directives are implemented in the national procurement legislation of the 27 EU member states.

The U.S. and the EU are signatories of the World Trade Organization's (WTO) Government Procurement Agreement (GPA), which grants access to most public supplies and services and some work contracts published by national procurement authorities of the countries that are parties to the Agreement. In practice, this means that U.S.-based companies are eligible to bid on supplies and services contracts from European public contracting authorities above the agreed thresholds. However, there are restrictions for U.S. suppliers in the EU utilities sector both in the EU Utilities Directive and in the EU coverage of the GPA. The Utilities Directive allows EU contracting authorities in these sectors to either reject non-EU bids where the proportion of goods originating in non-EU countries exceeds 50% of the total value of the goods constituting the tender, or is entitled to apply a 3% price difference to non-EU bids in order to give preference to the EU bid. These restrictions are applied when no reciprocal access for EU companies in the U.S. market is offered. Those restrictions, however, were waived for the electricity sector.

For more information, please visit the U.S. Commercial Service at the U.S. Mission to the European Union website dedicated to EU public procurement. This site also has a database of all European public procurement tenders that are open to U.S.-based firms by virtue of the Government Procurement Agreement. Access is free of charge.

Key Link: http://www.buyusa.gov/europeanunion/eu_tenders.html

Distribution and Sales Channels

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Consumers and businesses, alike, are very import-oriented in Sweden. To compliment this import-oriented market, Sweden offers American exporters a wide range of methods for the distribution and sale of products. A very high level of efficiency characterizes the distribution system. The Swedish Trade Federation (Svensk Handel) <http://www.svenskhandel.se> is the principal organization for private sector importers and traders in Sweden. The federation's membership includes 13,000 member firms active in retail and wholesale trade (including import/export, mail order business and e-commerce).

The major distribution centers in Sweden are Stockholm, Gothenburg and Malmo. Stockholm is the capital and business center of the country with a metropolitan area population of some 2 million. The head offices of most Swedish industrial, and commercial associations, and most large corporations are located in Stockholm. Many multinationals also use Stockholm as the headquarters for their Nordic and Baltic operations.

Gothenburg, Sweden's second largest city, is the nation's foremost port for international shipping. Located on the southwestern coast, Gothenburg is also the center of a fast growing industrial complex representing a wide spectrum of manufactured products ranging from motor vehicles to petrochemicals.

Malmo and Helsingborg are located at the southern tip of the country, a short distance from neighboring Denmark. Both cities are important ports for Swedish shipping to continental Europe. A bridge between Malmo and Copenhagen is physically linking Northern Europe with the Continent.

The northern two-thirds of Sweden are sparsely populated, but contain many large industrial sites for forest products, mining, and hydroelectric power. Major population centers there include Sundsvall, Skelleftea, Lulea and Umea.

Selling Factors/Techniques

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Selling techniques are comparable to the practices in the U.S. General competitive factors such as price, quality, promptness of delivery and availability of service are those that determine the success of a supplier. Swedish firms do not change suppliers readily and many commercial relationships have been built up and maintained over decades.

Electronic Commerce

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In Sweden the market for e-business has great potential. As much as 99% of the Swedish population has access to internet. The main factors fueling the development of e-business is major investment from the government not least in broadband. Over 80% of those that have internet connection use it daily. Over 40% of these users have purchased something on the internet within the past three months. The most common products purchased through the Internet are still CD records, books and computer software/games. Once further standards and security routines for the payment processes are in place, a sharp increase in e-commerce trading can be expected. E-commerce is subject to customs duty.

An American company interested in setting up an E-commerce business in Sweden should contact NIC-SE Network Information Centre Sweden AB for information on the registration process. Information on NIC-SE can be found on <http://www.iis.se/en/>

The Electronic Commerce Directive (2000/31/EC) mentioned in the direct marketing section above provides rules for online services in the EU. It requires providers to abide by rules in the country where they are established (country of origin). Online providers must respect consumer protection rules such as indicating contact details on their website, clearly identifying advertising and protecting against spam. The Directive also grants exemptions to liability for intermediaries that transmit illegal content by third parties and for unknowingly hosting content. The European Commission released a work plan in 2012 in order to facilitate cross-border online services and reduce barriers and released a report on implementation of the action plan in 2013.

Key Link: http://ec.europa.eu/internal_market/e-commerce/directive_en.htm

In July 2003, the EU started applying Value Added Tax (VAT) to sales by non-EU based companies of Electronically Supplied Services (ESS) to EU based non-business customers. U.S. companies that are covered by the rule must collect and submit VAT to EU tax authorities. European Council Directive 2002/38/EC further developed the EU rules for charging Value Added Tax. These rules were indefinitely extended following adoption of directive 2008/8/EC

U.S. businesses mainly affected by the 2003 rule change are those that are U.S. based and selling ESS to EU based, non-business customers or those businesses that are EU based and selling ESS to customers outside the EU who no longer need to charge VAT on these transactions. There are a number of compliance options for businesses. The Directive created a special scheme that simplifies registering with each Member State. The Directive allows companies to register with a single VAT authority of their choice. Companies have to charge different rates of VAT according to where their customers are based but VAT reports and returns are submitted to just one authority. The VAT authority responsible for providing the single point of registration service is then responsible for reallocating the collected revenue among the other EU VAT authorities.

Key Link: http://ec.europa.eu/taxation_customs/taxation/vat/how_vat_works/e-services/index_en.htm

Advertising plays a major role in Sweden's commercial life. All types of media are available. Daily newspapers and other publications are by far the most important media accounting for over half of all advertising expenditures. Direct mail is the second most important advertising medium, followed by radio and television commercials. Other forms, useful for certain types of products, are point-of-sale advertising, motion picture advertising, outdoor posters, and billboards. Commercial broadcasting exists and is growing in importance.

In order to place advertisements in newspapers, magazines, and trade journals, an agency must be authorized to do so by the Swedish Newspaper Publishers' Association (Tidningsutgivarna). Web address: <http://www.tu.se>

Authorization requires that the agency have experience in advertising and that its books be open for audit by the association.

The major metropolitan papers in Stockholm, Gothenburg and Malmo have wide geographical circulation. The three large Stockholm dailies - Dagens Nyheter, Svenska Dagbladet, and Dagens Industri - enjoy nationwide circulation. The large dailies in Gothenburg and Malmo (Goteborgs Posten and Sydsvenskan respectively) provide important media for advertising exposure in western and southern Sweden.

There major trade fair venues in Sweden host approximately 3 million visitors each year. The largest is Stockholmsmassan (Stockholm International Fairs) with 1.5 million visitors, followed by the Svenska Massan (Swedish Exhibition and Congress Center). There are also two smaller trade fair venues that are worth mentioning, Elmiamässan and Kistamässan, the latter opened in 2008. For further information on their programs please visit their websites:

Stockholmsmassan, <http://www.stofair.se>
Svenska Massan <http://www.svenskamassan.se>
Elmiamassan <http://www.elmia.se>
Kistamassan <http://www.kistamassan.com>

Commercial Service Stockholm can help your company plan promotional events and market your products and services in Sweden. Please visit our website www.buyusa.gov/sweden for details on our programs and services set up for this: FUSE – Featured U.S. Exporters, Business Service Providers, and the Single Company Promotion.

General Legislation

Laws against misleading advertisements differ widely from member state to member state within the EU. To respond to this imperfection in the Internal Market, the Commission adopted a directive, in force since October 1986, to establish minimum and objective criteria regarding truth in advertising. The Directive was amended in October 1997 to include comparative advertising. Under the Directive, misleading advertising is defined as any "advertising which in any way, including its presentation, deceives or is likely to deceive the persons to whom it is addressed or whom it reaches and which, by reason of its deceptive nature, is likely to affect their economic behavior or which for those reasons, injures or is likely to injure a competitor." member states can authorize even more extensive protection under their national laws.

Comparative advertising, subject to certain conditions, is defined as "advertising which explicitly or by implication identifies a competitor or goods or services by a competitor." member states can, and in some cases have, restricted misleading or comparative advertising.

The EU's Audiovisual Media Services Directive lays down legislation on broadcasting activities allowed within the EU. Since 2009, the rules allow for U.S.-style product placement on television and the three-hour/day maximum of advertising will be lifted. However, a 12-minute/hour maximum will remain. Child programming will be subject to a code of conduct that will include a limit of junk food advertising to children.

Following the adoption of the 1999 Council Directive on the Sale of Consumer Goods and Associated Guarantees, product specifications, as laid down in advertising, are now considered as legally binding on the seller. (For additional information on Council Directive 1999/44/EC on the Sale of Consumer Goods and Associated Guarantees, see the legal warranties and after-sales service section below.)

The EU adopted Directive 2005/29/EC concerning fair business practices in a further attempt to tighten up consumer protection rules. These rules outlaw several aggressive or deceptive marketing practices such as pyramid schemes, "liquidation sales" when a shop is not closing down, and artificially high prices as the basis for discounts in addition to other potentially misleading advertising practices. Certain rules on advertising to children are also set out.

Key Link:

http://ec.europa.eu/comm/consumers/cons_int/safe_shop/fair_bus_pract/index_en.htm
http://ec.europa.eu/avpolicy/reg/avms/index_en.htm

Medicine

The advertising of medicinal products for human use is regulated by Council Directive 2001/83/EC as amended by [Directive 2004/27/EC](#). Generally speaking, the advertising of medicinal products is forbidden if market authorization has not yet been granted or if the product in question is a prescription drug. Mentioning therapeutic indications where self-medication is not suitable is not permitted, nor is the distribution of free samples to the general public. The text of the advertisement should be compatible with the characteristics listed on the product label, and should encourage rational use of the product. The advertising of medicinal products destined for professionals should contain essential characteristics of the product as well as its classification. Inducements to prescribe or supply a particular medicinal product are prohibited and the supply of free samples is restricted.

The Commission presented a new proposal for a framework for information to patients on medicines in 2008 which would allow industry to produce non-promotional information about its medicines while complying with strictly defined rules and would be subject to an effective system of control and quality assurance. The debate on the framework however is currently blocked in the member states and therefore, current varying systems at national level are in force.

Key Link:

http://ec.europa.eu/health/human-use/information-to-patient/index_en.htm

Nutrition & Health Claims

On July 1, 2007, a regulation on nutrition and health claims entered into force. Regulation 1924/2006 sets EU-wide conditions for the Use of nutrition claims such as “low fat” or “high in vitamin C” and health claims such as “helps lower cholesterol”. The regulation applies to any food or drink product produced for human consumption that is marketed in the EU. Only foods that fit a certain nutrient profile (below certain salt, sugar and/or fat levels) are allowed to carry claims. Nutrition and health claims are only allowed on food labels if they are included in one of the EU positive lists. Food products carrying claims must comply with the provisions of nutritional labeling Directive 90/496/EC and its amended version Directive 1169/2011 on information to consumers mentioned below.

In December 2012, a list of approved functional health claims went into effect. The list includes generic claims for substances other than botanicals which will be evaluated at a later date. Disease risk reduction claims and claims referring to the health and development of children require an authorization on a case-by-case basis, following the submission of a scientific dossier to the European Food Safety Authority (EFSA). Health claims based on new scientific data will have to be submitted to EFSA for evaluation but a simplified authorization procedure has been established.

The development of nutrient profiles, originally scheduled for January 2009, has been delayed. Nutrition claims can fail one criterion, i.e. if only one nutrient (salt, sugar or fat) exceeds the limit of the profile, a claim can still be made provided the high level of that particular nutrient is clearly marked on the label. For example, a yogurt can make a low-fat claim even if it has high sugar content but only if the label clearly states “high sugar content”. A European Union Register of nutrition claims has been established and is updated regularly. Health claims cannot fail any criteria.

Key Link: <http://ec.europa.eu/nuhclaims/>

Food Information to Consumers

In 2011, the EU adopted a new regulation on the provision of food information to consumers (1169/2011). The new EU labeling requirements will apply from December 13, 2014 except for the mandatory nutrition declaration which will apply from December 13, 2016.

Key link: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:304:0018:0063:EN:PDF>

Food Supplements

Directive 2002/46/EC harmonizes the rules on labeling of food supplements and introduces specific rules on vitamins and minerals in food supplements. Ingredients other than vitamins and minerals are still regulated by Member States.

Regulation 1925/2006, applicable as of July 1, 2007, harmonizes rules on the addition of vitamins and minerals to foods. The regulation lists the vitamins and minerals that may be added to foods. This list was most recently revised in November 2009. A positive list of substances other than vitamins and minerals has not been established yet, although it is being developed. Until then, member state laws will govern the use of these substances.

Key Link: http://ec.europa.eu/food/food/labellingnutrition/supplements/index_en.htm

Tobacco

The EU Tobacco Advertising Directive bans tobacco advertising in printed media, radio, and internet as well as the sponsorship of cross-border events or activities. Advertising in cinemas and on billboards or merchandising is allowed, though these are banned in many member states. Tobacco advertising on television has been banned in the EU since the early 1990s and is governed by the TV without Frontiers Directive. The EU plans to revise the Tobacco Products Directive in 2012 with possible changes could include bigger, double-sided health pictorial warnings on cigarette packages and plain packaging.

Key link: http://ec.europa.eu/health/tobacco/law/advertising/index_en.htm

Pricing

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Companies set prices individually. According to the Swedish Competition Act (which is in line with EU rules), companies are not allowed to practice price fixing. All goods and services are subject to VAT (value-added tax), which ranges from 6 percent to 25 percent. 25 being the normal percentage, 12 percent which is for food or hotel charges, and 6 percent for products such as newspapers, books and magazines, and admission fees for commercial sporting events and also for transportation within Sweden. Products in Sweden are priced using the following formula: CIF price + import duty + excise tax + profit + VAT.

Conscious of the discrepancies among member states in product labeling, language use, legal guarantee, and liability, the redress of which inevitably frustrates consumers in cross-border shopping, the EU institutions have launched a number of initiatives aimed at harmonizing national legislation. Suppliers within and outside the EU should be aware of existing and upcoming legislation affecting sales, service, and customer support.

Product Liability

Under the 1985 Directive on liability of defective products, amended in 1999, the producer is liable for damage caused by a defect in his product. The victim must prove the existence of the defect and a causal link between defect and injury (bodily as well as material). A reduction of liability of the manufacturer is granted in cases of negligence on the part of the victim.

Key link:

<http://ec.europa.eu/enterprise/policies/single-market-goods/product-liability/>

Product Safety

The 1992 General Product Safety Directive introduces a general safety requirement at the EU level to ensure that manufacturers only place safe products on the market. It was revised in 2001 to include an obligation on the producer and distributor to notify the Commission in case of a problem with a given product, provisions for its recall, the creation of a European Product Safety Network, and a ban on exports of products to third countries that are not deemed safe in the EU. The legislation is still undergoing review.

Key link: http://ec.europa.eu/consumers/safety/prod_legis/index_en.htm

Legal Warranties and After-sales Service

Under the 1999 Directive on the Sale of Consumer Goods and Associated Guarantees, professional sellers are required to provide a minimum two-year warranty on all consumer goods sold to consumers (natural persons acting for purposes outside their trade, businesses or professions), as defined by the Directive. The remedies available to consumers in case of non-compliance are:

- Repair of the good(s);
- Replacement of the good(s);
- A price reduction; or
- Rescission of the sales contract.

As of June 2014, Directive 1999/44/EC will be incorporated into the new Consumer Rights Directive previously mentioned.

Key link:
http://ec.europa.eu/consumers/rights/gen_rights_en.htm

Other issues pertaining to consumers' rights and protection, such as the New Approach Directives, CE marking, quality control and data protection are dealt with in Chapter 5 of this report.

Sales Service/Customer Support

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Protecting Your Intellectual Property

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Several general principles are important for effective management of intellectual property (“IP”) rights in Sweden. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in Sweden than in the U.S. Third, rights must be registered and enforced in Sweden, under local laws. Your U.S. trademark and patent registrations will not protect you in Sweden. There is no such thing as an “international copyright” that will automatically protect an author’s writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the Swedish market. It is vital that companies understand that intellectual property is primarily a private right and that the US government generally cannot enforce rights for private individuals in Sweden. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Swedish law. The U.S. Commercial Service can provide a list of local lawyers upon request.

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Sweden require constant attention. Work with legal counsel familiar with Swedish laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both Swedish and U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)

- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

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- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at www.StopFakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**.
- For more information about registering for copyright protection in the US, contact the US Copyright Office at: **1-202-707-5959**.
- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, a free online training program is available at www.stopfakes.gov.
- For US small and medium-size companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and . For details and to register, visit: http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.StopFakes.gov This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.

Swedish law generally provides adequate protection of all property rights, including intellectual property. As a member of the European Union, Sweden adheres to a series of multilateral conventions on industrial, intellectual, and commercial property.

Patents - Protection in all areas of technology may be obtained for 20 years. Sweden is a party to the Patent Cooperation Treaty and the European Patent Convention of 1973; both entered into force in 1978.

Copyrights - Sweden is a signatory to various multilateral conventions on the protection of copyrights, including the Berne Convention of 1971, the Rome Convention of 1961, and the WTO's trade related intellectual property (TRIPS) agreement. Swedish copyright law protects computer programs and databases. More recently, Sweden gained notoriety as somewhat of a safe haven for internet piracy, due to rapid internet connection speeds, a lag in implementing EU Directives, and weak enforcement efforts. Over the course of 2009, however, Sweden implemented the EU's Intellectual Property Rights Enforcement Directive (IPRED) 2004/48/EC, and continued to step up its enforcement against internet piracy. The last few years also saw the conviction of the operators behind the Pirate Bay.org, a notorious BitTorrent tracker for illegal file-sharing, and an increase in legal file-sharing. The 2010 appeal trial upheld the guilty verdict, signaling that Sweden is no longer a safe haven for internet piracy. Legislative measures, combined with added resources on the enforcement side and the emergence of successful legal alternative such as Sweden-based sites Spotify and Voddler all contributed to a substantial increase in 2010-2011 for music and film distribution using legal means.

Trademarks - Sweden protects trademarks under a specific trademark act (1960:644) and is a signatory to the 1989 Madrid Protocol.

Trade secrets - proprietary information is protected under Sweden's patent and copyright laws unless acquired by a government ministry or authority, in which case it may be made available to the public on demand.

Due Diligence

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The Commercial Service in Stockholm offers the International Company Profile program which provides background reports on potential agents, distributors as well as other Swedish firms. The report includes:

- Detailed background report on a prospective overseas sales representative or partner
- Listing of the company's key officers
- Banking and other financial information

- Market information, including sales, profit figures and liabilities
- Our insight on the strength of the prospective partner

For more information on the ICP program please contact our website www.buyusa.gov/sweden

Credit reports on Swedish companies can also be obtained by contacting any of the sources below:

Dun & Bradstreet Sverige AB, <http://www.dnbsweden.se>
Syna – Kreditupplysning, www.syna.se
UC AB, www.uc.se

(UC AB, the Swedish Business and Credit Information Agency, is jointly owned by all Swedish commercial banks).

Local Professional Services

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Local service providers focusing on EU law, consulting, and business development can be viewed on the website maintained by the Commercial Service in Stockholm. <http://www.export.gov/sweden/en/>

Other contacts

Deloitte & Touche, http://www.deloitte.com/view/sv_SE/se/kontakt/index.htm
Ernst & Young, <http://www.ey.com/SE/sv/About-us/Contact-us>
KPMG, <http://www.kpmg.com/se/sv/om-kpmg/kontor/Sidor/Default.aspx>
PWC, <http://www.pwc.se/sv/om-oss/kontaktpersoner.jhtml>

For more contacts, see Chapter 9

Web Resources

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Organizations

Swedish Association of Agents, <http://www.agenturforetagen.se>
Business Sweden, <http://www.businesssweden.se/>
Swedish Companies Registration Office, <http://www.bolagsverket.se>
Swedish Franchise Association, www.svenskfranchise.se
The Swedish Competition Authority <http://www.konkurrensverket.se>

Local Newspapers

Svenska Dagbladet, www.svd.se
Dagens Nyheter, www.dn.se
Dagens Industri, www.di.se
Goteborgsposten, www.goteborgsposten.se
Sydsvenskan, www.sydsvenskan.se

EU websites:

Coordination of the laws of the member states relating to self-employed commercial agents (Council Directive 86/653/EEC):

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31986L0653:EN:HTML>

Agreements of Minor importance which do not appreciably restrict Competition under Article 81(1) of the Treaty establishing the European Community:

http://eurlex.europa.eu/LexUriServ/site/en/oj/2001/c_368/c_36820011222en00130015.pdf

Directive on Late Payment:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:048:0001:0010:EN:PDF>

European Ombudsman:

<http://www.ombudsman.europa.eu/home/en/default.htm>

EU's General Data Protection Directive (95/46/EC):

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:1995:281:0031:0050:EN:PDF>

Safe Harbor:

http://export.gov/safeharbor/eu/eg_main_018476.asp

Information on contracts for transferring data outside the EU:

http://ec.europa.eu/justice/data-protection/document/international-transfers/transfer/index_en.htm

EU Data Protection Homepage :

http://ec.europa.eu/justice_home/fsj/privacy/index_en.htm

Distance Selling Rules:

http://ec.europa.eu/consumers/cons_int/safe_shop/dist_sell/index_en.htm

Distance Selling of Financial Services:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2002:271:0016:0024:EN:PDF>

E-commerce Directive (2000/31/EC):

http://ec.europa.eu/internal_market/e-commerce/index_en.htm

VAT on Electronic Service:

http://ec.europa.eu/taxation_customs/taxation/vat/how_vat_works/e-services/index_en.htm

The Unfair Commercial Practices Directive:

<http://ec.europa.eu/consumers/rights/>

Information to Patients - Major developments:

http://ec.europa.eu/health/human-use/information-to-patient/legislative-developments_en.htm

Nutrition and health claims made on foods - Regulation 1924/2006

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:012:0003:0018:EN:PDF>

Regulation on Food Information to Consumers:
Regulation 1169/2011

EU-27 FAIRS EU Country Report on Food and Labeling requirements:

http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Food%20and%20Agricultural%20Import%20Regulations%20and%20Standards%20-%20Narrative_Brussels%20USEU_EU-27_12-27-2012.pdf

Guidance document on how companies can apply for health claim authorizations:

Summary document from EFSA

http://www.efsa.europa.eu/cs/BlobServer/Scientific_Opinion/nda_op_ej530_guidance_summary_en.pdf?ssbinary=true

Health & Nutrition Claims

http://ec.europa.eu/food/food/labellingnutrition/claims/index_en.htm

Tobacco

http://ec.europa.eu/health/tobacco/policy/index_en.htm

Product Liability:

http://europa.eu/legislation_summaries/consumers/consumer_safety/l32012_en.htm

Product Safety

http://ec.europa.eu/consumers/safety/prod_legis/index_en.htm

Legal Warranties and After-Sales Service:

http://ec.europa.eu/consumers/rights/gen_rights_en.htm

Copyright: http://ec.europa.eu/internal_market/copyright/documents/documents_en.htm

Harmonization of certain aspects of Copyright and related rights in the Information Society - Copyright Directive (2001/29/EC):

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32001L0029:EN:HTML>

Industrial Property

http://ec.europa.eu/internal_market/indprop/index_en.htm

Trademark

http://ec.europa.eu/internal_market/indprop/tm/index_en.htm

European Patent Office (EPO)

<http://www.european-patent-office.org/>

Office for Harmonization in the Internal Market (OHIM)

<http://oami.europa.eu/>

World Intellectual Property Organization (WIPO) Madrid

<http://www.wipo.int/madrid/en>

U.S. websites:

IPR Toolkit: http://www.stopfakes.gov/sites/default/files/europeanunion_toolkit.pdf

EU Public Procurement:

<http://export.gov/europeanunion/marketresearch/eufundingandgovernmentprocurementsectors/index.asp>

Local Professional Services:

<http://export.gov/europeanunion/businessserviceproviders/index.asp>

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Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial Sectors

- [Power Generation](#)
- [Travel and Tourism](#)
- [Cyber Security](#)
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- [Sustainable Construction](#)
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Power Generation

Overview

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Figures in USD Million

	2012	2013 (estimated)	2014 (estimated)
Total Market Size	5.550	5.700	5.800
Total Local Production	5.250	5.400	5.500
Total Exports	2.650	2.700	2.800
Total Imports	2.950	3.000	3.100
Imports from the U.S.	900	800	900
Exchange rates SEK/USD	6.77	6.50	6.50

The statistics are unofficial estimates

Alternative energy programs are a major focus of the US mission in Sweden and concentrate on latest biofuel production technologies; EV infrastructure and improved battery technologies; large-scale affordable production of electricity and heat from solar, wind and wave power; smart grid technologies and improved energy efficiency in homes and buildings.

The annual energy supply in Sweden amounts to approximately 614 TWh. Fossil fuels, such as crude oil, natural gas and coal, used by the transportation and refinery sectors, account for 33% of the current supply, followed by biofuels, nuclear power and hydropower. Renewable energy plays an increasingly important role in the Swedish energy system, and currently contributes 51% of the total energy supply. The main sources for electricity in Sweden are hydropower, nuclear power and wind power, accounting for 80% of the supply. The remaining 20% is covered by biofuels, conventional thermal power plants, and a small amount of photovoltaic and geothermal power.

Following the EU directives and regulations, Sweden is concentrating on improving and establishing long-term conditions for wider use of renewable energy resources, including new plant construction, R&D, incentives funding and industry harmonization. The government is committed to breaking the dependence on fossil fuels on the transportation sector by 2030. Sweden is inclined to invest in renewable energy and power generation research and development to enable and alleviate the expanded use of bio-fuels and other renewable energy sources for electricity, heat and transportation. By 2050, the transportation sector as a whole should be climate neutral and free from emissions of greenhouse gases.

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Equipment and plant technology for the upgrade/replacement of nuclear, hydropower and CHP plants; wind power turbine technology and spare parts; solar, photovoltaic and geothermal technologies; biomass processing technology; natural gas network technology and power grid infrastructure; smart grid infrastructure and IT solutions;

renewable vehicle fuel production technologies and electric vehicle/battery/infrastructure technologies.

Opportunities

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Sweden aims to expand wind, solar and geothermal power production, further improve its biomass utilization and validate new technologies that enable efficient and cost-effective biofuel/electric vehicle production. U.S. companies can provide world-leading product and technologies within many of these areas and have good opportunities in Sweden for cooperation and technology exchange.

There are three nuclear power plants in Sweden with 10 reactors (3 PWR and 10 BWR) that account for 30-40% of the annual electricity production. The current reactors are old, and on an average only four reactors are normally in use due to service stops and minor malfunctions. In 2010, Swedish Parliament approved a bill for replacement of its 10 existing reactors. The bill enables operators to apply for permits for the construction of a new reactor, provided that one of the existing ones will be closed, keeping the number of active reactors at the current 10. Also, the new reactor must be placed in one of the existing plants. Vattenfall is currently looking into replacing two reactors at their Ringhals plant. This provides good opportunities for U.S. companies with the latest nuclear technologies, 4th generation reactors and plant construction engineering services.

Sweden is very active in smart grid development and is already making large investments in smart transmission systems. The smart meters and hourly metering are in place; there are several grid demonstration projects in both cities and rural areas and the government has a national plan to help accelerate the smart grid development. Sweden is also the European node for Innovation on Smart Grids and Electricity Storage (InnoEnergy Sweden).

Web Resources

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Swedish Energy Agency www.energimyndigheten.se
Energy in Sweden www.svenskenergi.se
Swedish Radiation Safety Authority www.ski.se
Svenska Kraftnat (National Grid Company) www.svk.se
Swedish Bioenergy Association www.svebio.se
Swedish Wind Energy www.svenskvindenergi.org

Major Trade Shows:

Vind 2013, October 23-24, 2013, Stockholm, Sweden
- Conference and exhibition for the wind power market

Elmässa 2013, October 23-24, 2013, Stockholm, Sweden
A professional meeting point for the electricity market, including smart grids, energy efficiency, installations.

World Bioenergy 2014, June 3-5, 2014, Jönköping, Sweden
- World's leading bioenergy event

Local Commercial Specialist: Tuula Ahlström, tuula.ahlstrom@trade.gov

Travel and Tourism

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The Travel and Tourism industry is one of the largest industries in Sweden. The Visit USA market is significant and the United States is back as no. 1 of long-haul destinations. Sweden offers good business opportunities and has established itself among the Top Twenty international feeder markets of non-resident arrivals to the U.S. In 2012 Sweden (population 9.4 million) contributed with 442,013 visitors an increase of 0.7 percent over 2011. Taking the population size of this country the ratio is fantastic and every twenty second (22) Swede travels to the U.S. The introduction of the \$14 fee, payable by travelers from Visa Waiver Program countries who register with ESTA (Electronic System for Travel Authorization), mandated under the Travel Promotion Act, and signed into law March 2010, has been received well by Swedish travelers. The Brand USA, which is to promote and assist in promoting the U.S., in primary markets as well as the supporting Discover America Committees in their promotional work, (matching funds) towards increased travel to the U.S, for both business and leisure travel.

Each Swedish visitor spends approximately \$585 per day (excluding airfare). Average length of stay: 16-21 days. The dollar is still less expensive than the euro, which proves to be a great incentive for Swedish travelers. Tour operators reported a 20% increase in booking to the U.S. in 2013. There is a slight decline in golf trips, but a substantial increase in cruise sales. Thailand is a strong contestant as the second most popular long-haul destination for Swedes and close to 350,000 traveled to the beaches of Thailand. Also Turkey, Spain and Portugal are strong short haul competitors. However, for the second time in twenty years, the local travel industry voted for the U.S.A, as the no.1 long-haul destination.

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Sun & Beaches

Cruises all inclusive from Ft. Lauderdale/Miami

Big city breaks/Weekend trips

Eco tourism

Soft adventure

Sports/golf/outdoor trips

National parks

Special interest trips

Organized tours with a guide

FIT travel is growing steadily and Swedes like to make their own arrangements on the internet. About 67% of the Swedes book their trips on the internet.

Opportunities

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The Discover America Committee Sweden offers great marketing opportunities for its members and the committee has some 55 members of which 50% reside in the U.S. and 50% are local companies.

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Trade sources: ITTA/TUR Travel Fair with a Brand USA pavilion www.swefair.se/TUR

Discover America Seminars www.discoveramerica.se

Cyber Security

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Sweden is one of the world's leading IT nations where around 90 percent of the population has access to the Internet. Development and use of IT have created a number of new requirements for communications, storage, new standards as well as economic growth. It has also presented new challenges for society. The increased adoption of cloud computing, data centers and wireless communication devices are primary growth drivers for the security market. Other areas are smart grids, waters systems, hospital networks and others. It is estimated that by 2017, the public sector and utilities will account for the largest share of the cyber security market, with about 30 percent.

Cyber security affects an ever increasing number of companies and organizations, it is a global phenomenon. Developments during the past few years toward a more mobile, digital and Internet-based world put higher demands on information security. There is an abundance of reports describing the ever-increasing costs for IT-related crimes. Global costs for it-related crimes are estimated to reach around USD one trillion per annum. The Swedish market represents around 2 percent of the global market. In 2011, data intrusion and data sabotage in Sweden increased by 52 percent compared to the previous year. There is no readily available statistics on information security in Sweden. However, various reports claim that the Swedish information security market is estimated at USD 1.4 billion and is forecast to be worth around USD 2.4 billion in 2017.

The Swedish Agency for Civil Protection and Preparedness (MSB), commissioned by the Swedish Government, has established an organization called SAMFI (Cooperation Group for Information Security) in conjunction with other Swedish agencies handling information security. The group has produced a strategy for information security for 2010-2015. The objective of the strategy is to achieve a good level of information security in order to promote, among other things, the freedom and rights of citizens; protection of personal integrity; society's fight against crime; society's capacity to prevent and deal with serious disruptions and crises.

Government Agencies are obliged to implement a management system for information security (LIS) in accordance with ISO/IEC 27001.

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Products for protection against cyber war, digital rights management, borderless networks, event management and data leakage prevention, software associated with compliance and disclosure regulations. Another growth area is the demand for cloud-based security.

Opportunities

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The Swedish government has approved funding for \$79 million over two years on information technology. The money includes funds for broadband expansion and also e-government solutions (incl. information security).

Trade shows: <http://www.infosec.co.uk/> InfoSecurity Europe. London April 29-May 1, 2014

Web Resources

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Swedish cyber strategy: <http://www.regeringen.se> (Swedish government web site)

Cyber security: <http://www.mbs.se> (The Swedish Agency for Civil Protection and Preparedness, MSB)

Data Privacy: <http://www.dataforeningen.se>, <http://www.pts.se> (The Swedish Telecom Regulator)

For more information contact the U.S. Commercial Service in Sweden:

gunilla.laroche@trade.gov, phone: +46 8 783 5353, <http://export.gov/sweden>

E-Health

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The Swedish population of 9.5 million enjoys a very good health. Sweden invests about 9 per cent of its GDP in health and medical services, a figure that has been fairly stable since the early 1980s. The infant mortality rate is less than 2.8 deaths per 1,000 in the first year of life, Life expectancy continues to rise. In 2011 the average life expectancy was 80 years for men and 84 years for women. As Sweden has a population that is one of the oldest in the world, more than 5 percent are 80 years or older, there will be an increasing demand for medical equipment and supplies, and longer medical treatments, to meet the health needs of an ageing population.

Already in 2006 the Swedish government launched a national strategy for e-health. The strategy focuses on the need to use information and communication technologies to achieve improvements for patients, healthcare professionals and decision-makers. The strategy states that “ ICT will be used as a strategic tool at all levels in the care sector and health care resources as a whole will be utilized more efficiently and effectively” and that “used as a strategic tool, ICT will promote safer, more accessible and efficient health and elderly care services”. The strategy further states “citizens must also be able to contact care services via the internet for assistance, advice or help with self-treatment”.

Sweden has a decentralized health care system, with 21 County Councils that decide on the allocation of the resources to the health services and are responsible for the overall planning of the services offered. It is also the county councils that own and run the hospitals, health centers and other institutions, even if these institutions are supplemented by those of private organizations which, in most cases, have contracts with the county councils. The municipals are responsible for housing and care of elderly and disabled people.

The County Councils' investments and costs for healthcare IT is estimated at SEK 8 billion (USD1.2 billion) - of which some SEK 390 million (USD 60 million) has been used for joint development and management through the Center for eHealth in Sweden(CeHis).

Today, e-health is an integrated part of daily life in Swedish health care. It is estimated that 95 percent of all documentation in primary care are made in electronic health care records (EHRs), while corresponding figure for the specialized hospital care is estimated at 69 percent. E-prescriptions have become very popular and it is estimated that some 90 percent of all pharmaceutical prescriptions in Sweden are issued electronically.

Many Swedish software companies have developed IT systems for the healthcare market and large Swedish players dominate the hospital and primary care market for software.

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E-health, or healthcare IT, is viewed as having a major potential in Sweden. Not least because Sweden is a thinly populated country and healthcare IT can help bridge the distances between patients and healthcare providers.

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In connection with the Center for Connected Health Symposium to be held in Boston on October 24-25, 2013, US DOC and Sweden's Ministry of Health will host a small roundtable between US and Swedish e-health companies to share information and initiate company networking.

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Trade sources:

Digital Health Days, August 21-22, 2013
Stockholm

www.stockholmsmassan.se
www.digitalhealthdays.se

Vitalis, April 8-10, 2014
Gothenburg

www.vitalis.nu

Contacts:

CeHIS Center for eHealth in Sweden

www.cehis.se

Swedish Medtech

www.swedishmedtech.se

The National Board of Health and Welfare

www.socialstyrelsen.se

Commercial Service Trade Specialist
Catharina Kronstrom

Catharina.kronstrom@trade.gov

Sustainable Construction

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The Swedish construction industry has an approximate annual turnover of USD 63 billion and the estimated value of the real estate stock is USD 793 billion, excluding the value of infrastructure, such as roads, bridges, railway, harbors and airports. Together, the built environment accounts for approximately 50% of the national wealth. In 2012, the construction sector employed 305,000 people and investments amounted to USD 42 billion, which accounts for 8% of the GDP.

The civil engineering/urban development sector (real estate companies, construction material companies, architects and consultants) has an annual turnover of USD 158 billion and employs 500,000 people which equals 11% of the total work force in Sweden.

The economic downturn has not affected the Swedish construction sector notably, and the estimate for 2013-2014 still shows growth, especially for the housing sector. Public and commercial sector construction has gone down a little but will be picking up again in 2014, according to the Swedish Construction Federation.

Sweden has ambitious plans to become fossil fuel independent by 2020 and the housing market is one of the key areas in this plan. The government program on energy efficiency and energy-smart construction, together with the National Housing Board's building regulations provide recommendations and statutes for all new building and construction. The fossil fuels should be replaced by renewable energy by 2020 even within housing and construction sector. Total energy use per heated unit area in both residential and non-residential buildings is today decreasing. The estimated reduction should be 20% by 2020 and 50% by 2050. The current building regulations limit the annual energy use in houses using electricity as the heat source to 110 kWh per m² (130 kWh in northern Sweden) and also specify that only 50% of the total energy should be used for electricity.

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There are good prospects for US exports with the Swedish building and construction sector, and especially within the low-energy housing sector. Energy efficient windows, doors and insulation materials and heat recovery ventilation systems are all sought for items in the Swedish low-energy housing market. Considering the number of low energy houses and apartment buildings that will be built in the following years, the market will welcome other low energy construction principles in addition to the Passive House principle.

Opportunities

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The demand for housing, office space, commercial venues and infrastructure has grown steadily in Sweden since mid-2000 and triggered an increase in construction costs.

Traditionally, the large construction companies have procured their construction materials and equipment from local vendors. To make their procurement more effective and to lower the costs, they have started looking at import, especially from low-cost countries. Gradually, this import has also encompassed tailor-made solutions, know-how and niched products, which provides good opportunities for U.S. companies.

Web Resources

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Swedish Construction Federation www.bygg.org

The National Board of Housing, Building & Planning www.boverket.se

Byggmaterialindustrierna www.byggmaterialindustrierna.se

Swedish Green Building Council www.sgbc.se

Fastighetsmässan, Sept 4-5, 2013, Gothenburg

- Real estate management fair

Hem & Villa, October 3-6, 2013, Stockholm

- Largest construction DIY fair in the Nordic region

Nordbygg, April 1-4, 2014, Stockholm

- The largest construction show in Northern Europe

Local Commercial Specialist: Tuula Ahlström, tuula.ahlstrom@trade.gov

Medical

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Exports	3,393	3,146	3,543	3,685
Total Imports	2,703	2,607	2,823	2,936
Imports from the U.S.	802	684	740	770
Exchange Rate: 1 USD	6.95	6.77	6.50	6.50

Data Sources: Global Trade Atlas

Current statistics on local production is not available.

The Swedish population of 9.5 million enjoys a very good health. Sweden invests about 9 per cent of its GDP in health and medical services, a figure that has been fairly stable since the early 1980s. The infant mortality rate is less than 2.8 deaths per 1,000 in the first year of life, Life expectancy continues to rise. In 2011 the average life expectancy was 80 years for men and 84 years for women. As Sweden has a population that is one of the oldest in the world, more than 5 percent are 80 years or older, there will be an increasing demand for medical equipment and supplies, and longer medical treatments, to meet the health needs of an ageing population.

In Sweden three political and administrative bodies control health care for the country: the central government, the county councils and the municipalities. The 21 county councils have the responsibility to provide health and medical services and to work for a good standard of health among the population. The county councils decide on the allocation of the resources to the health services and are responsible for the overall planning of the services offered. It is also the county councils that own and run the hospitals, health centers and other institutions. The 290 municipalities are responsible for nursing homes, care of the elderly and the disabled. Private health care, accounting for some twelve percent of total health care costs, mainly offers primary care like running health care centers or homes for the elderly. There are a few hospitals that are managed by private entrepreneurs.

U.S. firms interested in entering the Swedish market will find that the market is highly competitive and are therefore recommended to establish a local presence, either through local agents and distributors or sales subsidiaries.

Sweden has 60 hospitals, eight of which are regional hospitals offering highly specialized care and where most teaching and research is based. There are about 33,000 doctors in Sweden, one for every 277 inhabitant.

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The best sales potential during the 2013-2015 for U.S. manufactured medical equipment is expected to be in the following areas:

Non-invasive surgical equipment
Orthopedic and prosthetic equipment
Home health care – equipment and supplies

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Trade sources:

Apotek och Egenvard, Sept 3-4, 2013

www.apotekegenvard.se

Health, Wellness & Fitness, Nov 7-19, 2013

www.stockholmsmassan.se

Riksstamman, Dec 5-6, 2013

www.sls.se/riksstamman

Contacts:

Swedish Medtech

www.swedishmedtech.se

The Swedish Institute of Assistive Technology

www.hi.se

The Swedish Council on Technology Assessment
In Health Care

www.sbu.se

The Swedish National Institute of Public Health

www.fhi.se

National Board of Health and Welfare

www.socialstyrelsen.se

Commercial Service Trade Specialist

Catharina Kronstrom

Catharina.kronstrom@trade.gov

Automotive

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	2012	2013 (estimated)	2014 (estimated)
Total Market Size	4,650	4,830	5,230
Total Local Production	4,080	4,430	4,800
Total Exports	3,050	3,500	3,670
Total Imports	3,620	3,900	4,100
Imports from the U.S.	144	160	180
Exchange rates:	6.77	6.50	6.50

The above statistics are unofficial estimates. Figures are in US\$ million.

There were 4.4 million personal vehicles in Sweden in 2012. This corresponds to one car to every 2.2 people. The number of commercial vehicles was 571,024. Sweden is a global leader in renewable energy and alternative fuels use. The Swedish government has pledged to cut CO2 emissions by 40 percent by the year 2020. In 2012, there were 484,454 environmental vehicles in Sweden, and new registrations for 2012 amounted to 127,025, which is 45.5% of the total new cars registered.

The total import of automotive parts and accessories (HS 87.08) was worth US\$ 5 billion in 2012. Major supplying countries were Germany, Belgium, France and Poland. US suppliers accounted for 4% percent of the import market.

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Sweden offers a good market for technically sophisticated, high-quality automotive products. Good prospects exist for products within safety and environment sectors, emission technology, alternative energy technology and telematics.

Other products that enjoy good prospects are products that relate to the Swedish climate, such as engine heaters, roof boxes for skis and extra lights for the dark winter season. There is also a growing market for truck aftermarket equipment, such as body parts, armors, air filters, intakes, exhaust systems, superchargers, turbochargers, gauges, and many other performance products.

Another sector of interest is specialty vehicles. Customizing cars is a hot trend. Many Swedes consider the U.S. to be the leading country when it comes to styling and tuning their cars, especially classic American vehicles. The most popular products in this sector are tires and wheels, lowering kits, exhaust systems, body kits, spoilers, lighting equipment and stereo equipment.

Trade shows:

“Utility Vehicles”, Stockholm, Oct 16-17, 2013

<http://www.bilarsomjobbar.se/for-besokare/nyheter/bilar-som-jobbar-rullar-nu-in-pa-stockholmsmassan>

“Automässan” –January 15-18, 2014

- automotive parts and accessories (triennial)

<http://www.svenskamassan.se/en/sites/autotrdefair/>

Trade Organizations:

Scandinavian Automotive Suppliers <http://www.fkg.se/start-page/>

The Association of Swedish Wholesalers of Automotive Parts and Accessories

<http://www.bildelsgrossisterna.se/>

Local Commercial Specialist: Tuula Ahlström, tuula.ahlstrom@trade.gov

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Import Tariffs

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Sweden applies the EU customs laws and coherent regulations, as well as common customs tariffs from the United States and other non-EU countries. The basis of EU Customs Tariff is the ten-digit Harmonized Commodity Description and Coding System (HS), which indicates the duty that should be applied and whether an import license or permit is required for the commodity in question.

The Integrated Tariff of the Community, TARIC (Tarif Intégré de la Communauté), is designed to show various rules applying to specific products being imported (or in some cases exported from) into the customs territory of the EU, to determine if a license is required for a particular product. The TARIC can be searched by country of origin, Harmonized System (HS) Code, and product description on the interactive website of the Directorate-General for Taxation and the Customs Union, and is updated daily.

Key Link:

http://ec.europa.eu/taxation_customs/customs/customs_duties/tariff_aspects/customs_tariff/index_en.htm

Customs procedures, including the classification and valuation of imported goods, are governed by EU rules. As a member of the EU, Sweden maintains duty-free entry on all products originating in other EU countries.

Most industrial products imported to Sweden are subject to duty varying from 0% to 20%. Duty rates for foodstuffs can be higher as they are based on the weight of the commodity.

The value for customs purposes is directly based on the value of transaction and the following additional costs:

- Freight costs up to the place of importation to EU
- Insurance costs Loading/other handling costs
- Broker fees
- Package costs

- Royalties or license fees
- The seller's yield in case of further sale to a third party

Most goods imported to Sweden are subject to customs duty and also a value-added-tax (VAT). The general VAT rate is 25%, with a lower rate of 12% for food and certain services, and 6% for books and periodicals.

Importers can apply for reduced Customs Duty or even exemption, if the goods originate from a country with which EU has a free trade agreement. Other common cases are:

- Temporary importation (e.g. testing or exhibiting purposes)
- Inward processing when a product is imported in order to be processed further, repacked and re-exported
- Scientific instrument imports

Trade Barriers

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For information on existing trade barriers, please see the National Trade Estimate Report on Foreign Trade Barriers, published by USTR and available through the following website:

<http://www.ustr.gov/sites/default/files/2013%20NTE%20European%20Union%20Final.pdf>

Information on agricultural trade barriers can be found at the following website:

<http://www.fas.usda.gov/posthome/useu/>

To report existing or new trade barriers and get assistance in removing them, contact either the Trade Compliance Center at <http://www.trade.gov/tcc> or the U.S. Mission to the European Union at <http://export.gov/europeanunion/>

Import Requirements and Documentation

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The documents required from the exporter include a commercial invoice, a bill of lading, and other special certifications as may be necessary. Certificate of origin (or certification of origin as part of the invoice) is required for textile products.

There are no stipulations as to the form of commercial invoices, bills of lading, or other shipping documents. According to both the Swedish and EU customs regulations the invoice must contain the following information:

- Name and address of the seller and the buyer
- Date the invoice was issued
- Number and type of packages, gross weight and information on how the packages are marked
- Trade description of the goods
- Quantity
- Price for each item
- Discounts, if any, and what kind

- Delivery and payment terms

A pro-forma invoice may be presented for shipments that are free of charge, such as:

- Replacement deliveries and commodities supplied under guarantee
- Samples and advertising items
- Gifts
- Goods returned to sender
- Printed advertising materials

Shipping documents may be made out in the English language. The standard bill of lading (or an airway bill) suffices for shipments to Sweden. The bill of lading should be completed in accordance with the invoice.

Sanitary certificates, showing the country of origin, are required for goods that may carry contagious animal or vegetable diseases or for goods for which special stipulations are prescribed. Goods subject to these sanitary certificates include live animals, animal products (meat, meat products and animal feed) and vegetable products such as potatoes, live plants and seeds. The certificate must be authorized by a competent legal authority in the country of production or export. Up-to-date information on harmonized import requirements can be found at the following website:

<http://www.fas.usda.gov/posthome/Useu/certificates-overview.html>

For detailed information on import documentation for seafood, please contact the NOAA Fisheries office at the U.S. Mission to the EU (stephane.vrignaud@trade.gov) or visit the following NOAA dedicated web site: http://www.seafood.nmfs.noaa.gov/EU_Export.html

The Single Administrative Document

The official model for written declarations to customs is the Single Administrative Document (SAD). Goods brought into the EU customs territory are, from the time of their entry, subject to customs supervision until customs formalities are completed. Goods are covered by a Summary Declaration which is filed once the items have been presented to customs officials. The customs authorities may, however, allow a period for filing the Declaration which cannot be extended beyond the first working day following the day on which the goods are presented to customs.

European Free Trade Association (EFTA) countries including Norway, Iceland, Switzerland, and Liechtenstein also use the SAD. Information on import/export forms is contained in Council Regulation (EEC) No. 2454/93, which lays down provisions for the implementation of the Community Customs Code (Articles 205 through 221). Articles 222 through 224 provide for computerized customs declarations and Articles 225 through 229 provide for oral declarations.

More information on the SAD can be found at:

http://ec.europa.eu/taxation_customs/customs/procedural_aspects/general/sad/

The Modernized Customs Code (MCC) of the European Union is expected to be fully in place by June 2013. Some facets of the MCC have already been implemented including EU wide Economic Operators Registration and Identification (EORI) numbers. The MCC replaces existing Regulation 2913/92 and simplifies various procedures such as introducing a paperless environment, centralized clearance, and more. Check the EU's

Customs website periodically for updates:

http://ec.europa.eu/taxation_customs/customs/procedural_aspects/general/community_code/index_en.htm

New U.S. - EU Mutual Recognition Arrangement (MRA)

Since 1997, the U.S. and the EU have had an [agreement](#) on customs cooperation and mutual assistance in customs matters. For additional information, please see http://ec.europa.eu/taxation_customs/customs/policy_issues/international_customs_agreements/usa/index_en.htm

In 2012, the U.S. and the EU signed a new Mutual Recognition Arrangement (MRA) aimed at matching procedures to associate one another's customs identification numbers. Additional information on the MRA can be found at: http://www.cbp.gov/linkhandler/cgov/trade/cargo_security/ctpat/ctpat_program_information/international_efforts/eu_faq.ctt/eu_faq.pdf

Batteries

EU battery rules changed in September 2006 following the publication of the Directive on batteries and accumulators and waste batteries and accumulators (Directive 2006/66). This Directive replaces the original Battery Directive of 1991 (Directive 91/157). The 2006 Directive applies to all batteries and accumulators placed on the EU market including automotive, industrial and portable batteries. For more information, see our market research report: http://www.buyusainfo.net/docs/x_4062262.pdf

REACH

REACH, "Registration, Evaluation and Authorization and Restriction of Chemicals", is the system for controlling chemicals in the EU and it came into force in 2007 (Regulation 1907/2006). Virtually every industrial sector, from automobiles to textiles, is affected by this policy. REACH requires chemicals produced or imported into the EU in volumes above 1 ton per year to be registered with a central database handled by the European Chemicals Agency (ECHA). Information on a chemical's properties, its uses and safe ways of handling are part of the registration process. The next registration deadline is **May 31, 2013**: <http://echa.europa.eu/web/guest/reach-2013>. U.S. companies without a presence in Europe cannot register directly and must have their chemicals registered through their importer or EU-based 'Only Representative of non-EU manufacturer'. A list of Only Representatives (ORs) can be found on the website of the U.S. Mission to the EU: <http://export.gov/europeanunion/reachclp/index.asp>

Material Safety Data Sheets (MSDS) must be updated to be REACH compliant. For more information, see the guidance on the compilation of safety data sheets: http://echa.europa.eu/documents/10162/17235/sds_en.pdf

U.S. exporters to the EU should carefully consider the REACH 'Candidate List' of Substances of Very High Concern (SVHCs) and the Authorization List. Substances on the Candidate List are subject to communication requirements. Companies seeking to export products containing substances on the Authorization List will require an authorization. The Candidate List can be found at: <http://echa.europa.eu/web/guest/candidate-list-table>. The Authorization List is available

at <http://echa.europa.eu/addressing-chemicals-of-concern/authorisation/recommendation-for-inclusion-in-the-authorisation-list/authorisation-list>

WEEE Directive

EU rules on Waste Electrical and Electronic Equipment (WEEE), while not requiring specific customs or import paperwork, may entail a financial obligation for U.S. exporters. The Directive requires U.S. exporters to register the products with a national WEEE authority or arrange for this to be done by a local partner. The WEEE Directive was revised on July 4, 2012. The revised WEEE Directive expands the scope of products covered to include all electrical and electronic equipment. The expanded scope will apply from August 14, 2018. U.S. exporters seeking more information on the WEEE Directive should visit: <http://export.gov/europeanunion/weeerohs/index.asp>

RoHS

The ROHS Directive imposes restrictions on the use of certain chemicals in electrical and electronic equipment. It does not require specific customs or import paperwork however, manufacturers must self-certify that their products are compliant. The Directive was revised in 2011 and entered into force on January 2, 2013. One important change with immediate effect is that RoHS is now a CE marking Directive. The revised Directive expands the scope of products covered during a transition period which ends on July 22, 2019. Once this transition period ends, the Directive will apply to medical devices, monitoring and control equipment in addition to all other electrical and electronic equipment. U.S. exporters seeking more information on the WEEE Directive should visit: <http://export.gov/europeanunion/weeerohs/index.asp>

Cosmetics Regulation

On November 30, 2009, the EU adopted a new regulation on cosmetic products which will apply from July 11, 2013. The new law introduces an EU-wide system for the notification of cosmetic products and a requirement that companies without a physical presence in the EU appoint an EU-based responsible person.

For more information, see: <http://ec.europa.eu/consumers/sectors/cosmetics/animal-testing>,
http://export.gov/europeanunion/accessingeumarketsinkeyindustrysectors/eg_eu_044318.asp

Up-to-date information on harmonized import requirements can be found at the following website: <http://www.fas.usda.gov/posthome/Useu/certificates-overview.html>

U.S. Export Controls

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The U.S. Department of Commerce's Bureau of Industry and Security (BIS) is responsible for implementing and enforcing the Export Administration Regulations (EAR), which regulate the export and re-export of some commercial items, including "production" and "development" technology.

The items that BIS regulates are often referred to as "dual use" since they have both commercial and military applications. Further information on export controls is available at: <http://www.bis.doc.gov/licensing/exportingbasics.htm>

BIS has developed a list of "red flags," or warning signs, intended to discover possible violations of the EAR. These are posted at:
<http://www.bis.doc.gov/enforcement/redflags.htm>

Also, BIS has "Know Your Customer" guidance at:
<http://www.bis.doc.gov/Enforcement/knowcust.htm>

The EAR does not control all goods, services, and technologies. Other U.S. government agencies regulate more specialized exports. For example, the U.S. Department of State has authority over defense articles and services. A list of other agencies involved in export control can be found on the BIS web.

It is important to note that in August 2009, the President directed a broad-based interagency review of the U.S. export control system, with the goal of strengthening national security and the competitiveness of key U.S. manufacturing and technology sectors by focusing on current threats, as well as adapting to the changing economic and technological landscape. As a result, the Administration launched the Export Control Reform Initiative (ECR Initiative) which is designed to enhance U.S. national security and strengthen the United States' ability to counter threats such as the proliferation of weapons of mass destruction. For additional information on ECR see:
<http://export.gov/ecr/index.asp>

BIS provides both basic and advanced export training for U.S. exporters throughout the year. A list of upcoming seminars can be found at:
<https://www.bis.doc.gov/seminarsandtraining/index.htm>

For further details about the Bureau of Industry and Security and its programs, please visit the BIS website at: <http://www.bis.doc.gov/>

On the Swedish side, export license applications for both military equipment and dual-use goods are handled by the National Inspectorate of Strategic Products (ISP). While ISP makes routine licensing decisions, matters of fundamental significance should be referred to the Swedish Government for decision.

Temporary Entry

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Goods can be completely exempt from customs duty and/or VAT when they are imported into EU temporarily, to be re-exported unmodified. Goods that fall into this category include materials for trade shows and exhibitions, some professional equipment, special tools used for assembling goods to be exported, replacement machinery or equipment during warranty repairs, samples, works of art to be exhibited, some medical, surgical and laboratory and scientific equipment used in hospitals, other medical institutions and for teaching and research purposes. The importer should always check with the local customs office to verify that the goods meet the criteria for complete or partial exemption of import costs.

Sweden honors the ATA carnet, an international customs document designed to simplify customs procedures for business and professional people taking commercial samples, advertising materials, film, medical or professional equipment into specified countries for a short period. More than 40 countries participate in the carnet system.

Labeling and Marking Requirements

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Sweden does not require country of origin marking for imports. However, goods carrying incorrect designations of origin are prohibited, and products made to appear as produced or manufactured in Sweden may not be imported unless the correct foreign origin is clearly and durably marked thereon.

Special marking regulations and labeling requirements exist for pharmaceuticals, chemicals, food products and other product categories. Sweden has very strict health, sanitary and labeling rules and sophisticated capabilities for monitoring product quality.

A retail-size food package must show the name of the manufacturer, packer or importer, commercial name of the product, net metric weights or volume, ingredients in descending order of weight, last recommended date of consumption, and storage instructions if perishable or intended for infants. The information described above should be in Swedish and the local importers can assist NTM companies in arranging for proper labeling information.

Inspection and food labeling requirements were changed to conform to EU regulations when Sweden became a member of the EU on January 1, 1995. An overview of EU mandatory and voluntary labeling and marking requirements has been compiled in a market research report that is available at: http://buyusainfo.net/docs/x_366090.pdf

Prohibited and Restricted Imports

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EU import licenses permits are required for a number of commodities, including some textiles, steel and iron products, agricultural products, arms, hypodermic needles and syringes, animals and plants of endangered species, wines and alcoholic beverages and certain products from the Republic of China. The license has to be obtained and available prior to customs clearance. The entities to be contacted before import to the country are:

- for agricultural products, Swedish Board of Agriculture <http://www.sjv.se>
- for fish products, National Board of Fisheries <http://www.fiskeriverket.se>
- for any other products, National Board of Trade <http://www.kommers.se>

A complete list of restrictions and licensing requirements is available at <http://www.tullverket.se>, the official website of Swedish Customs.

Certain goods, such as weapons, explosives, drugs, and poisons may be imported only by authorized persons and institutions, and require import licenses or special permits.

The TARIC is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a product is prohibited or subject to restriction, check the TARIC for the following codes:

CITES Convention on International Trade of Endangered Species

PROHI Import Suspension
RSTR Import Restriction

Key Link:

http://ec.europa.eu/taxation_customs/customs/customs_duties/tariff_aspects/customs_tariff/index_en.htm

Customs Regulations and Contact Information

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The Swedish Customs website lists and updates both the Swedish and the EU regulations and laws pertaining to import and applicable directives from other government agencies. On EU level, the information is available at Customs and Taxation Union Directorate (TAXUD) Website.

Key Link: http://ec.europa.eu/taxation_customs/customs/index_en.htm

Major Regulatory Efforts of the EC Customs and Taxation Union Directorate:

Electronic Customs Initiative – This initiative deals with EU Customs modernization developments to improve and facilitate trade in the EU member states. The electronic customs initiative is based on the following three pieces of legislation:

- The [Security and Safety Amendment to the Customs Code](#), which provides for full computerization of all procedures related to security and safety;
- The Decision on the paperless environment for customs and trade ([Electronic Customs Decision](#)) which sets the basic framework and major deadlines for the electronic customs projects;
- The [Modernized Community Customs Code](#) which provides for the completion of the computerization of customs.

Key Link:

http://ec.europa.eu/taxation_customs/customs/policy_issues/electronic_customs_initiative/electronic_customs_legislation/index_en.htm

Customs Valuation – Most customs duties and value added tax (VAT) are expressed as a percentage of the value of goods being declared for importation. Thus, it is necessary to dispose of a standard set of rules for establishing the goods' value, which will then serve for calculating the customs duty.

The EU imports in excess of 2 trillion euro worth of goods. It is important that the value of such commerce is accurately measured for the purposes of:

- economic and commercial policy analysis;
- application of commercial policy measures;
- proper collection of import duties and taxes; and
- import and export statistics.

These objectives are met using a single instrument - the rules on customs value.

The EU applies an internationally accepted concept of 'customs value'.

The value of imported goods is one of the three 'elements of taxation' that provides the basis for assessment of the customs debt, which is the technical term for the amount of duty that has to be paid, the other ones being the origin of the goods and the customs tariff.

Key Link:

http://ec.europa.eu/taxation_customs/customs/customs_duties/declared_goods/index_en.htm

The Swedish contact information:

Swedish Board of Customs

Box 12854

112 98 Stockholm

Sweden

Ms. Therese Mattsson, Director General

Email: tullverket@tullverket.se

<http://www.tullverket.se/en>

Standards

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Overview

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Products tested and certified in the United States to American standards are likely to have to be retested and re-certified to EU requirements as a result of the EU's different approach to the protection of the health and safety of consumers and the environment. Where products are not regulated by specific EU technical legislation, they are always subject to the EU's General Product Safety Directive as well as to possible additional national requirements.

European Union legislation and standards created under the New Approach are harmonized across the member states and European Economic Area countries to allow for the free flow of goods. A feature of the New Approach is CE marking. For a list of new approach legislation, go to <http://ec.europa.eu/enterprise/newapproach/nando/index.cfm?fuseaction=directive.main>.

The concept of new approach legislation is likely to disappear as the New Legislative Framework (NLF), which entered into force in January 2010, was put in place to serve

as a blueprint for existing and future CE marking legislation. Since 2010/2011 existing legislation has been reviewed to bring them in line with the NLF concepts.

While harmonization of EU legislation can facilitate access to the EU Single Market, manufacturers should be aware that regulations (mandatory) and technical standards (voluntary) might also function as barriers to trade if U.S. standards are different from those of the European Union.

The supreme body for the Swedish standardization system is the Swedish Standards Federation. The Council's members include both public and private sector entities and they manage the registration of both adopted and withdrawn Swedish standards and approve the standardization bodies in Sweden. All standardization is currently carried out by three accredited standardization bodies: The Swedish Standards Institute (SIS) handles most business areas, Informationstekniska Standardiseringen (ITS) handles telecommunication issues and Svensk Elstandard (SEK) handles electronic and electro-technical application standards. All three standardization bodies are working on both European and global levels.

Standards Organizations

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Swedish Standards Institution, SIS
P.O. Box 3295,
S-103 66 Stockholm
Sweden
Tel: 46-8-610 3000
Fax: 46-8-30 1850
<http://www.sis.se>
CEN, European Committee of Standardization
<http://www.cen.eu>
<http://www.cen.eu/cenorm/products/cwa/index.asp>

SIS develops or revises over 1,300 Swedish and international standards annually within most business areas, by working closely with the private sector, Swedish authorities, consumer representatives and other stakeholders. SIS is the Swedish member of the Council and Technical Board of ISO and serves on both the administrative and technical boards of the European Committee for Standardization.

Informationstekniska Standardiseringen, ITS
The Swedish Telecommunication Standardization Organization
Box 1284
S-16429 Kista
Sweden
Tel. 46 8 444 1424
Fax. 46 8 444 1430
<http://www.its.se>
European Telecommunications Standards Institute ETSI
<http://www.etsi.org>
http://portal.etsi.org/Portal_Common/home.asp

Since March 2002, ITS has been recognizing European standards (EN) directly instead of transposing them to Swedish SS standards. All new proposals of standards and changes/adoption of technical regulations should be determined and adjusted in respect to existing international and European standards. ITS acts as the national standardization body for Sweden at ETSI, European Telecommunication Standards Institute.

SEK Svensk Elstandard

The Swedish Electro-technical Standards

Box 1284

S-16429 Kista

Sweden

Tel. 46 8 444 1400

Fax. 46 8 444 1430

<http://www.elstandard.se>

European Committee for Electrotechnical Standardization CENELEC

<http://www.cenelec.org>

SEK coordinates the electro-technical standardization through technical committees that directly reflect the work done on the international level at both IEC and CENELEC. The standardization and revision process is open to all Swedish organizations, companies, institutions and public sector offices.

Given the EU's vigorous promotion of its regulatory and standards system as well as its generous funding for its development, the EU's standards regime is wide and deep - extending well beyond the EU's political borders to include affiliate members (countries which are hopeful of becoming full members in the future) such as Albania, Belarus, Israel, and Morocco among others. Another category, called "partner standardization body" includes the standards organization of Mongolia, Kyrgyzstan and Australia, which are not likely to become a CEN member or affiliate for political and geographical reasons.

The European Standardization system and strategy was reviewed in 2011 and 2012. The new standards regulation, adopted in November 2012, clarifies the relationship between regulations and standards and confirms the role of the three European standards bodies in developing EN harmonized standards. The emphasis is also on referencing international standards where possible. Key Link:

http://ec.europa.eu/enterprise/policies/european-standards/standardisation-policy/index_en.htm

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries.

Notify U.S. is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL:

<http://www.nist.gov/notifyus/>

Conformity Assessment is a mandatory step for the manufacturer in the process of complying with specific EU legislation. The purpose of conformity assessment is to ensure consistency of compliance during all stages, from design to production, to facilitate acceptance of the final product. EU product legislation gives manufacturers some choice regarding conformity assessment, depending on the level of risk involved in the use of their product. These range from self-certification, type examination and production quality control system, to full quality assurance system. Conformity assessment bodies in individual member states are listed in NANDO, the European Commission's website.

Key Link: <http://ec.europa.eu/enterprise/newapproach/nando/>

In Sweden, SWEDAC is the entity responsible for assessing and appointing these bodies, known as "Notified Bodies", by formally notifying them to the European Commission and exercising oversight on them. SWEDAC is also responsible for assessing Conformity Assessment Bodies.

SWEDAC, Styrelsen for Ackreditering och Teknisk Kontroll
Swedish Board for Accreditation and Conformity Assessment
Box 878,
S-501 15 Boras, Sweden
Tel: 46-33-177 700
Fax: 46-33-101 392
<http://www.swedac.se/en/>

To promote market acceptance of the final product, there are a number of voluntary conformity assessment programs. CEN's certification systems are the Keymark, the CENCER mark, and CEN workshop agreements (CWA) Certification Rules. CENELEC has its own initiative. ETSI does not offer conformity assessment services.

To sell products in Sweden, U.S. exporters are required to apply CE marking whenever their product is covered by specific product legislation. CE marking product legislation offers manufacturers a number of choices and requires decisions to determine which safety/health concerns need to be addressed, which conformity assessment module is best suited to the manufacturing process, and whether or not to use EU-wide harmonized standards.

Products manufactured to standards adopted by CEN, CENELEC and ETSI, and referenced in the Official Journal as harmonized standards, are presumed to conform to the requirements of EU Directives. The manufacturer then applies the CE marking and issues a declaration of conformity. With these, the product will be allowed to circulate freely within the EU. A manufacturer can choose not to use the harmonized EU standards, but then must demonstrate that the product meets the essential safety and performance requirements.

The CE marking addresses itself primarily to the national control authorities of the member states, and its use simplifies the task of essential market surveillance of regulated products. As market surveillance was found lacking, the EU adopted the New Legislative Framework, which went into force in 2010. As mentioned before, this framework is like a blueprint for all CE marking legislation, harmonizing definitions, responsibilities, European accreditation and market surveillance.

The CE marking is not intended to include detailed technical information on the product, but there must be enough information to enable the inspector to trace the product back to the manufacturer or the local contact established in the EU. This detailed information should not appear next to the CE marking, but rather on the declaration of conformity (which the manufacturer or authorized agent must be able to provide at any time, together with the product's technical file), or the documents accompanying the product.

Swedish Bodies

The Swedish National Testing and Research Institute is accredited for certification in the fields of environment (ISO14001, EMAS, Environmental product declarations, EPD), quality (ISO9000 series, QS 9000, EU directives), the workplace in accordance with the National Board of Occupations Safety and Health Code Statutes AFS 2001:1) and products (CE marking, P-marking). The certification requirements are set out in product standards, voluntary specifications or specified by public authorities.

SP Swedish National Testing and Research Institute
Box 857
501 15 Borås
Sweden
Tel. 46 33 16 50 00
Fax. 46 33 13 55 02
<http://www.sp.se/en/Sidor/default.aspx>

Intertek Semco Certification AB, an approved certification body accredited by SWEDAC, offers certification to the ISO 9000 series, QS 9000, ISO 14001 and QS 9000, AFS 1996:6 (Working Environment) and validations under EMAS, and also certification to SS 627799 (Information Security), and EPD (Environmental Product Declaration).

Intertek Semco Certification AB
Box 1103
164 22 Kista
Sweden
Tel. 46 8 750 0333
<http://www.intertek-sc.com>

Accreditation

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SWEDAC is the national accreditation body, working under the Ministry for Foreign Affairs and Ministry of Enterprise & Energy. SWEDAC assesses the competence of laboratories, certification and inspection bodies and is also the public authority responsible for regulations and surveillance in the field of legal metrology.

SWEDAC assesses the independence of laboratories and their competence to perform analysis, tests or calibration within IT, building technology, legal metrology, foodstuffs, medical technology, electrical technology, chemistry, clinical chemistry, mechanics, materials testing, water analysis or calibration within many different quantities. The accreditation is performed in accordance with the international SS EN ISO/IEC 17025 standard. SWEDAC also issues certificates for Good Laboratory Practice (GLP) in accordance with OECD rules (OECD/GD[92] 32 - Paris 1992) to laboratories that perform investigations of chemicals other than pharmaceuticals, hygienic or cosmetic products.

In conjunction with the Chemicals inspectorate, SWEDAC is also responsible for accreditation of bodies for testing of plant protection products in efficacy trials in accordance with GEP, 'Good Efficacy Practice' (EPPO Guidelines 152, 181).

Swedac, Styrelsen for Ackreditering och Teknisk Kontroll
Swedish Board for Conformity and Technical Control
Box 878
S-501 15 Boras, Sweden
Tel: 46-33-177 700
Fax: 46-33-101 392
<http://www.swedac.se>

"European Accreditation" (<http://www.european-accreditation.org>) is an organization representing nationally recognized accreditation bodies. Membership is open to nationally recognized accreditation bodies in countries in the European geographical area that can demonstrate that they operate an accreditation system compatible with EN45003 or ISO/IEC Guide 58.

Publication of Technical Regulations

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When it comes to technical regulations Sweden abides by the EU directives and WTO agreements and accordingly reports all proposals to both EU and WTO. The entity responsible for information and notification procedures for new national technical regulations is the National Board of Trade.

All the Swedish proposals and final regulations are listed on the EU data base TRIS, Technical Regulations Information System.

The National Board of Trade
Box 6803
113 86 Stockholm
Sweden
Tel. 46 8 690 4800
Fax. 46 8 30 67 59
Email: kerstin.carlsson@kommers.se
<http://www.kommers.se>

The Official Journal is the official publication of the European Union. It is published daily on the internet and consists of two series covering adopted legislation as well as case law, studies by committees, and more (<http://eur-lex.europa.eu/JOIndex.do?ihmlang=en>). It lists the standards reference numbers linked to legislation (http://ec.europa.eu/enterprise/policies/european-standards/harmonised-standards/index_en.htm).

National technical Regulations are published on the Commission's website http://ec.europa.eu/enterprise/tris/index_en.htm to allow other countries and interested parties to comment.

Labeling and Marking

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Manufacturers should be mindful that, in addition to the EU's mandatory and voluntary schemes, national voluntary labeling schemes might still apply. These schemes may be highly appreciated by consumers, and thus, become unavoidable for marketing purposes.

Manufacturers are advised to take note that all labels require metric units although dual labeling is also acceptable. The use of language on labels has been the subject of a Commission Communication, which encourages multilingual information, while preserving the right of member states to require the use of the language of the country of consumption.

The EU has mandated that certain products be sold in standardized quantities. Council Directive 2007/45/EC harmonizes packaging of wine and spirits throughout the EU. Existing national sizes will be abolished with a few exceptions for domestic producers. Key Link: http://ec.europa.eu/enterprise/sectors/legal-metrology-and-prepack/prepacked-products/index_en.htm

The Eco-label

The EU eco-label is a voluntary label which U.S. exporters can display on products that meet high standards of environmental awareness. The eco-label is intended to be a marketing tool to encourage consumers to purchase environmentally-friendly products. The criteria for displaying the eco-label are strict, covering the entire lifespan of the product from its manufacture, use, and disposal. These criteria are reviewed every three to five years to take into account advances in manufacturing procedures. There are currently 30 different product groups, and approximately 1300 licenses have been awarded for several hundred products.

Applications to display the eco-label should be directed to the competency body of the member state in which the product is sold. The application fee will be somewhere between €300 and €1300 depending on the tests required to verify if the product is eligible. The eco-label also carries an annual fee equal to 0.15% of the annual volume of sales of the product range within the European community. However, the minimum annual fee is currently set at €500 and maximum €25,000.

There are plans to significantly reform the eco-label in the near future, reducing the application and annual fees and expanding the product ranges significantly. It is also possible that future eligibility criteria may take into account carbon emissions.

Key Links:

[Eco-label Home Page](#)

Contacts

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US Embassy Stockholm
Dag Hammarskjolds Vag 31
115 89 Stockholm, Sweden
Tel. 46 8 783 5300
Post Standards Contact: Tuula Ahlström, tuula.ahlstrom@trade.gov

Swedish Standardization Federation
114 85 Stockholm
Sweden
Tel. 46 8 782 0850
<http://standardiseringsforbundet.se/en-1/start>

Tel. Swedish Standards Institution, SIS
P.O. Box 3295,
103 66 Stockholm, Sweden
Tel: 46-8-610 3000
<http://www.sis.se>

Informationstekniska Standardiseringen, ITS
The Swedish Telecommunication Standardization Organization
Box 1284
S-16429 Kista, Sweden
Tel. 46 8 444 1424
<http://www.its.se>

SEK Svensk Elstandard
The Swedish Electro-technical Standard
Box 1284
16429 Kista
Sweden
Tel. 46 8 444 1400
<http://www.elstandard.se>

SWEDAC, Styrelsen for Ackreditering och Teknisk Kontroll
Swedish Board for Accreditation and Conformity Assessment
Box 878,
501 15 Boras, Sweden
Tel: 46-33-177 700
<http://www.swedac.se>

SP Swedish National Testing and Research Institute
Box 857
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Tel. 46 33 16 50 00
<http://www.sp.se>

Intertek Semco Certification AB
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164 22 Kista
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Tel. 46 8 750 0333
<http://www.intertek-sc.com>

The National Board of Trade
Box 6803
113 86 Stockholm
Sweden
Tel. 46 8 690 4800
Email: kerstin.carlsson@kommers.se
<http://www.kommers.se>

Livsmedelsverket (National Food Administration)
Box 622
751 26 Uppsala
Email: livsmedelsverket@slv.se
Tel: 4618 17 55 00

Lakemedelsverket (Medical products Agency)
Box 26
751 03 Uppsala
Tel: 46 18 17 46 00

Kemi (Swedish Chemical Agency)
Box 1384
171 27 Solna
Email: kemi@kemi.se
Tel: 46 8 783 11 00

Trade Agreements

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For a list of trade agreements with the EU and its member states, as well as concise explanations, please see http://tcc.export.gov/Trade_Agreements/index.asp

Web Resources

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Swedish Customs <http://www.tullverket.se/en/Business/>
National Inspectorate of Strategic Products ISP
<http://www.isp.se/nyaengelska/indexeng.htm>
Livsmedelsverket (National Food Administration) www.slv.se
Lakemedelsverket (Medical Products Agency) <http://www.mpa.se/eng/index.shtml>
Kemikalieinspektionen (Swedish Chemicals Agency) www.kemi.se
Swedish Board of Agriculture <http://www.sjv.se>
National Board of Fisheries <http://www.fiskeriverket.se>
National Board of Trade <http://www.kommers.se>
Swedish Standards Institution SIS www.sis.se
European Committee of Standardization www.cenorm.be
Swedish Telecommunication Standardization Organization www.its.se
European Telecom Standards Institute www.etsi.se
Swedish Electro-Technical Standards <http://www.elstandard.se>
European Committee of Electrotechnical Standardization www.cenelec.org
Swedish Board of Accreditation and Conformity Assessment www.swedac.se
EU Conformity Assessment Bodies <http://europa.eu.int/comm/enterprise/nando-is/home/index.cfm>
Swedish National Testing and Research Institute www.sp.se
Certification body www.intertek-etlsemko.com
European accreditation www.european-accreditation.org

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Chapter 6: Investment Climate

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- [Expropriation and Compensation](#)
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- [Efficient Capital Markets and Portfolio Investment](#)
- [Competition from State Owned Enterprises](#)
- [Corporate Social Responsibility](#)
- [Political Violence](#)
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- [Foreign-Trade Zones/Free Ports](#)
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Openness to Foreign Investment

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General Conditions

Sweden is generally considered a favorable country in which to invest. Sweden offers an extremely competitive, largely corruption-free economy with access to new products, technologies, skills, and innovations. The largest market in the Baltic Sea region, Sweden is the gateway to Northern Europe and the Baltic Sea region. Low levels of corporate tax, the absence of withholding tax on dividends, and a favorable holding company regime combine to make Sweden particularly attractive for doing business.

Combined with a well-educated labor force, outstanding telecommunications network, and a stable political environment, Sweden has become more competitive as a choice for American and foreign companies establishing a presence in the Nordic region. In the World Economic Forum's 2012-2013 report, Sweden ranked fourth out of 144 countries in overall competitiveness and productivity and has been in the top five for the past ten years. The measure includes multiple indicators, summarized in the following excerpt:

“Sweden: Like Switzerland, the country has been placing significant emphasis on creating the conditions for innovation-led growth. The quality of its public institutions remains first-rate, with a very high degree of efficiency, trust, and transparency. Private institutions also receive excellent marks, with firms that demonstrate excellent ethical behavior. Nevertheless, we registered a slight but consistent deterioration in the

country's institutional framework over the past three years. Additional strengths include goods and financial markets that are very efficient, although the labor market could be more flexible (ranking 92nd on the flexibility subpillar). Combined with a strong focus on education over the years and a high level of technological readiness (1st), Sweden has developed a very sophisticated business culture (5th) and is one of the world's leading innovators (4th). Last but not least, the country boasts a stable macroeconomic environment (13th), with a balanced budget and manageable public debt levels. These characteristics come together to make Sweden one of the most productive and competitive economies in the world." (World Economic Forum: The Global Competitiveness Report 2012-2013: Country Highlights)

Also in 2012, Transparency International ranked Sweden as one of the most corruption-free countries in the world; fourth out of 176. Sweden's economy has strong potential to benefit from intensifying, technology-driven global competition. Sweden already hosts one of the most internationally integrated economies in the world. Large flows of trade, capital, and foreign investment attest to Sweden's global competitiveness. It is seen as a frontrunner in adopting new technologies and setting new consumer trends. Manufacturers can take advantage of a test market full of demanding customers and high levels of technical sophistication.

Sweden, like other EU countries, has been highly affected by the ups and downs of the global financial crisis. Swedish GDP contracted severely in 2009, rebounded in 2010, and then continued to grow at a moderate and steady rate in 2011 amidst the continuing eurozone crisis. Export volumes increased by 6.9 percent through 3 Q 2012. Sweden's current account surplus continued to strengthen during 2012; Trade in goods and services resulted in a surplus of SEK 164.4 billion through the third quarter -- trade in goods contributed SEK 58.6 billion to the surplus while services contributed a further SEK 105.8 billion .

In 2010, the United States was Sweden's sixth largest export market after Germany, Norway, Denmark, the United Kingdom, and Finland. Innovation and exports drive Sweden's economy, and the government recognizes the need to support those exports through promoting innovation. The government's innovation strategy aims to improve the business climate for entrepreneurs, education, and the flow of research from the lab to the market. Sweden spends the highest amount per capita on research and development in the European Union, and Parliament recently approved record levels of spending on research as part of Sweden's "Innovation for Growth" project. With this latest increase SEK 4 Billion additional spending on research and innovation, the Government has increased spending by SEK 9 Billion over the last eight years.

Surveys conducted by investors in recent years ranking the investment climate in Sweden show little variation in their appraisals: positives mentioned are a well-trained and educated workforce; low corporate tax rates; excellent infrastructure; and easy access to capital. On the negative side are the high cost of labor, rigid labor legislation, high individual tax rates, and overall high costs in Sweden.

In Nordic labor markets, labor and management do not see each other as enemies, but strive for consensus. Labor market relations are characterized by mutual respect for negotiated contracts among employers and unions. Labor unions are generally supportive of new technology. Swedish unions have helped implement business rationalization, and strongly favor employee education and technical progress. For most

of the 20th century in Sweden, political legislation played a smaller role in regulating labor market relations than voluntary agreements between strong unions and equally strong employer's federations, often at the national level. Unions in Nordic countries more or less adhere to the view that sick leave and unemployment insurance systems should be shaped in ways that are both generous and advantageous to growth. About 71% of the Swedish labor force is unionized, although membership is declining. For most unions, there is a counterpart employers' organization for businesses. Unions and employer organizations are independent of both the government and political parties, although the largest federation of unions, the National Swedish Confederation of Trade Unions (LO), has always maintained close links to Sweden's largest political party for most of the last century, the Social Democrats. There is no national minimum wage. Instead, wages are set by collective bargaining. In recent years, the government has increased flexibility to negotiate wages at the company level. Swedish law requires that union members be represented on the board of any company with more than 25 employees. This law also requires management to negotiate with the appropriate union or unions prior to implementing certain major changes in company activities. It calls for a company to furnish information on many aspects of its economic status to labor representatives, though in the end, management has the final say on the direction that the company will take. By and large, this system has worked to the benefit of both labor and management.

Having only 9.5 million people, Sweden is highly dependent on exports. It is one of the most pro-free trade countries in the world. Low barriers to trade combine with collective risk sharing through social programs and labor market institutions that have provided a form of protection against the risks associated with economic openness.

The General Government Attitude toward Foreign Direct Investment

Until the mid-1980s, Sweden's approach to direct investment from abroad was quite restrictive and governed by a complex system of laws and regulations. Sweden's entry into the European Union (EU) in 1995 has greatly improved the investment climate and attracted foreign investors to the country. In 2011, the stock of foreign direct investments in Sweden amounted to 63 percent of GDP, placing Sweden in 8th place among OECD countries, after Luxemburg, Belgium, Ireland, Switzerland, Iceland, Estonia, and the Netherlands. The 2011 OECD average was about 29 percent of GDP.

Swedish authorities have implemented a number of reforms to improve the business regulatory environment and benefit investment inflows. The Moderate Party-led center-right coalition government (also known as the Alliance Government) elected in September 2006 set a goal of selling some \$31 billion in state assets between 2007 and 2010 to stimulate growth and raise revenue to pay down the national debt. In 2008, the Swedish government sold liquor company V&S (Vin & Sprit AB) to French company Pernod Ricard for \$8.3 billion and the Swedish OMX stock exchange to Nasdaq for \$318 Million. Further deregulation progress was made in the beginning of 2010 as the state-owned and former Government-run pharmaceutical company Apoteket was split into two parts, one public and one private. The deregulation trend was reversed by an opposition-led majority vote in March of 2011 in Parliament that put a halt to the sale of stakes in SBAB bank, telecom firm TeliaSonera, power utility Vattenfall and Posten – the Swedish

postal service. Such a consolidated opposition indicates that the future of privatization will be a function of politics, and thus is difficult to predict.

Sweden is also actively seeking ways to ensure wider ownership in Swedish industry, which it believes will increase competition and lead to greater efficiency on the markets. As a result, foreign ownership in Sweden has increased rapidly in the last decade. Approximately 50 percent of foreign-owned firms are acquisitions, and 30 percent are new establishments. Foreign-owned firms now employ almost 25 percent of the work force in the business sector, mostly in the service and manufacturing industries. Foreign ownership in urban areas of Sweden is dominated by Norway and EU countries. The United States is the single largest foreign employer.

The Alliance government has pursued a macroeconomic policy favorable to the business sector. While the government lost its majority in Parliamentary elections in September 2010, the election results were considered an endorsement of the government's economic policies, especially as the Social Democrat-led opposition fared poorly in the elections. The Moderate Party led coalition has continued its pro-business sector policies as a minority government.

FDI to Sweden surged in the second half of the 1990s, a trend fueled by accelerating globalization, deregulation in Sweden, devaluation of the Swedish krona (SEK) in 1992, and the country's entry into the European Union in 1995. The number of foreign subsidiaries in Sweden increased sharply from the mid 1990s, from just over 3,000 to over 10,000 ten years later. Despite substantial FDI inflows, the stock of Swedish assets held abroad still exceeds the stock of foreign assets in Sweden.

In a 2003 public referendum on whether or not to join the European Monetary Union (EMU), a majority voted for Sweden to remain outside. In 2009, public opinion shifted somewhat and a majority of Swedes viewed the euro positively for the first time ever. However, the 2010 debt crises in the eurozone have caused public opinion to once again favor retention of the SEK, which has weathered the financial crisis well. We do not expect the EMU issue to be put to the electorate in the current four year political cycle.

In 2011, foreign companies in Sweden employed about 631,000 employees. Approximately 1,300 U.S. companies with 72,510 employees are established in Sweden, many of which are active in computer software or hardware, pharmaceuticals, telecoms, or finance. In terms of number of employees in Sweden, the U.S. is still the largest individual investment country.

Financial Crisis and Recovery

Although economic conditions in Sweden are better than in many other countries, Sweden and Swedish banks have been affected by not having access to long-term funding, and by commercial bank exposure to the Baltic region. Swedish banks experienced a similar crisis in 1990-1994 involving real estate loans and defaults on high figure loans. Swedish banks became more restrictive with credit in the wake of the 1990s

crisis. The experience gleaned from the 1990s banking crisis helped prepare the government and banks to respond quickly and relatively successfully to the 2008/2009 global financial crisis.

By 2008/2009, Swedish banks were relying relatively heavily on wholesale funding, with deposits ranging from 30 percent to 40 percent of total liabilities at the larger banks. As funding in international capital markets became more restrictive in 2008, Swedish authorities responded with a bank support package that included \$205 billion of guarantees for new debt issuance and \$6 billion recapitalization, doubled deposit insurance coverage to include savings of up to SEK 500,000 (\$65,400) per customer and created a fund to be prepared to take direct stakes in banks. The Central Bank lowered its main steering rate for the economy (also known as the repo rate) to 0.25 percent, and the balance sheet of the Central Bank tripled during 2008, mainly due to increased lending facilities to commercial banks.

The Swedish banking sector is highly concentrated, with the four large banking groups – Nordea, Svenska Handelsbanken, Swedbank and SEB (all of which number among the 30 companies on OMX Stockholm 30 Exchange Index (OMXS30)) – accounting for roughly 80 percent of sector assets. Due in part to the lessons learned in the Swedish banking crisis of the 90s, those banks managed to navigate the global financial turmoil without any bankruptcies. They did, however, have substantial credit losses. Those credit losses decelerated in 2010, and by the end of 2010, all the four major banks exceeded expectations in key indicators such as operating income, net profit, and net interest income. Continued conservatism on the part of the banks in 2011 secured their position as some of the healthiest banks in Europe.

The global economic downturn of 2008-2009 and its aftermath have also had significant effects on Sweden's non-banking economy. GDP contracted by nearly 5 percent in 2009, and then rose to previous levels in 2010. Third quarter results for 2012 showed only a 0.7 percent GDP gain compared to the third quarter of 2011, whereas GDP has been dropping in the euro area for the last four quarters. The weak developments in the euro area have affected growth to a greater extent than what was expected. GDP is expected to grow at a slower pace than normal for most of 2013. As a result, the Central Bank lowered its growth projections for the Swedish economy. For 2013, the Central Bank now expects a GDP-growth of 1.2 percent, and by around 3 percent in 2014 and 2015.

Because inflationary pressures remain low, and to support measures to counter the rising unemployment figures and to boost the weak economic activity in the economy -- in December 2012 the Central Bank cut its main steering rate (the repo rate) by 0.25 percentage points to 1 percent, and is expected to reduce further, to 0.75 percent as early as February 2013. The repo rate is expected to remain low through the first quarter 2014.

The Stockholm Stock Exchange Index (OMXS30) fell by just over 40 percent during 2008, but regained the lost value during 2009 as the Index OMXS30 experienced a record year and closed at an increase of around 50 percent and rose a further 20 percent in 2010. In 2011 it decreased 16 percent and recovered slightly in 2012 with 11 percent. The SEK

dropped sharply in value both against the dollar and euro at the outset of the financial crisis, in an illustration of the risk of having a small, marginal currency. However, during 2010 the SEK returned to the levels prevailing before the financial crisis and appreciated at a rate above original forecasts while the US dollar and EU have been weakened by the euro zone crisis as well as uncertain economic prospects and low expected policy rates. Finally, in 2011, the SEK lost some of its gains against the dollar, presumably the result of concern about its EU export dependency.

Laws/Rules/Practices Affecting Foreign Investment

During the 1990s, Sweden made considerable progress deregulating its product markets. In a number of areas, including the electricity and telecommunication markets, Sweden has been on the leading edge of reform. These reforms have resulted in more efficient sectors and lower prices. Nevertheless, a number of practical impediments to direct investments remain in Sweden. These include a fairly extensive, though non-discriminatory, system of permits and authorizations needed to engage in many activities and the dominance of few, very large players in certain sectors, such as construction and food wholesaling.

Regulation on foreign ownership in financial services has been liberalized. Foreign banks, insurance companies, brokerage firms, and cooperative mortgage institutions are permitted to establish branches in Sweden on equal terms with domestic firms, although a permit is required. Swedes and foreigners alike may acquire shares in any company listed on the Stockholm Stock Exchange.

Government monopolies: Despite extensive deregulation, foreign and domestic investors are still barred from retail sale of alcoholic beverages. In early 2010, the Swedish Government went through with the privatization of pharmaceutical company Apoteket, allowing for private retailing of pharmaceuticals. Approximately 600 pharmacies have been sold to private enterprises, and the total amount of pharmacies in Sweden is expected to rise sharply to reach the same level of saturation found in other European countries. The previously monopolized market for vehicle emissions testing was also opened to certified private parties as of July 1, 2010. As mentioned above, this privatization trend has slowed and its future will depend primarily on political factors.

Legal Aspects: Swedish company law provides various forms under which a business can be organized. The main difference between these forms is whether the founder must own capital and to what extent the founder is personally liable for the company's debt. The Swedish Law, Act (1992:160) on Foreign Branches, applies to foreign companies operating some form of business through a branch and also to people residing abroad who run a business in Sweden. A branch must have a president who resides within the European Economic Area (EEA). All business enterprises in Sweden (including branches) are required to register at the Swedish Companies Registration Office. An invention or trademark must be registered in Sweden in order to obtain legal protection. A bank from a non-EEA country needs special permission from the Financial Supervision Authority to establish a branch in Sweden.

Taxes

Sweden's taxation structure is straightforward and corporate tax levels are low. As of 2013 Sweden has a corporate tax of 22 percent in nominal terms, lowered from 26.3 percent. The effective rate can be even lower as companies have the option of making deductible annual appropriations to a tax allocation reserve of up to 25 percent of their pretax profit for the year. Companies can make pre-tax allocations to untaxed reserves, which are subject to tax only when utilized. Certain amounts of untaxed reserves may be used to cover losses.

Due to tax exemptions on capital gains and dividends, as well as other competitive tax rules such as low effective corporate tax rates, deductible interest costs for tax purposes, no withholding tax on interest, no stamp duty or capital duties on share capital, and an extensive double tax treaty network, Sweden is among Europe's most favorable jurisdictions for holding companies. Unlisted shares are always tax-exempt, meaning no qualification time or minimum holding of votes or capital. Listed shares are exempt if the holding represents at least 10 percent of the voting rights (or is contingent on the holder's business) and the shares are held for at least one year.

Personal income taxes are among the highest in the world. Since public finances have improved due to extensive consolidation packages to reduce deficits, the government has been able to reduce the tax pressure as a percentage of GDP. Currently, it is below 50 percent for the first time in decades. One particular focus has been tax reductions to encourage employers to hire the long-term unemployed. The government introduced additional cuts for personal income taxes in 2008, followed by additional cuts in January 2009 and 2010. Expectations are that the taxes will stay at this level during the year and will not increase or decrease because of the financial instability. In 2011 the breaking point for state taxes increased. It is now only at an income over SEK 32,967 (approx. \$4800) per month that a state income tax of 20 percent will be levied. When earnings exceed SEK 46,741 (approx. \$6800) per month, an additional 5 percent state tax is applied.

One tax reform to help bring foreign experts to Sweden is a reduction of key foreign personnel's income tax. Under the reform, only 75 percent of the person's income is taxable for the first three years of employment in Sweden. Likewise, their employers pay social security contributions on only 75 percent of the taxable salary. This tax relief applies to all salaries and benefits in kind, as well as stock options and other compensations offered by the employer. This applies to foreign key personnel such as executives, researchers, and experts employed by a Swedish company. The tax relief is not applicable to individuals assigned to Sweden by a foreign company that has no operations in Sweden.

Dividends paid by foreign subsidiaries in Sweden to their parent company are not subject to Swedish taxation. Dividends distributed to other foreign shareholders are subject to a 30 percent withholding tax under domestic law, unless dividends are exempt or taxed at a

lower rate under a tax treaty. Tax liability may also be eliminated under the EC Parent Subsidiary Directive. Profits of a Swedish branch of a foreign company may be remitted abroad without being subject to any other tax than the regular corporate income tax. Sweden has no foreign exchange controls or restrictions.

The Swedish system of allowing A/B preferred stock has been identified by some, both in and outside of the EU, as an obstacle to takeover efforts of Swedish companies and the free flow of capital. A and B stocks differ from common and preferred stocks in that owners of A stocks have a greater number of votes than owners of B stocks. Both A and B stocks have the same right to dividends.

Incentives: The Swedish government offers certain incentives to set up a business in targeted depressed areas. Loans are available on favorable terms from the Swedish Agency for Economic and Regional Growth (Tillväxtverket) and from regional development funds. A range of regional support programs, including location and employment grants, low rent industrial parks, and economic free zones are also available. Regional development support is concentrated in the lightly populated northern two-thirds of the country. There are also several European funds that offer subsidies for starting enterprises and a range of incentives to research and development programs provided by the Swedish Government.

Stock options: There is no exit taxation and no specific rules regarding taxation of stock options received before a move to Sweden. Instead, cases of double taxation are solved by applying tax treaties and cover not only moves within the EU but all countries, including the United States.

Measure	Year	Index or Rank
TI Corruption Index	2012	Score: 88; 4
Heritage Foundation's Economic Freedom index	2013	Score: 86.8; 12-t
World Bank's Doing Business Report	2013	13
WEF – Global Competitiveness Report	2012-2013	4

Conversion and Transfer Policies

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There are no foreign exchange controls in Sweden, nor are there any restrictions on remittances of profits, proceeds from the liquidation of an investment, or royalty and license fee payments. A subsidiary or branch may transfer fees to a parent company outside of Sweden for management services, research expenditures, etc. In general, yields on invested funds, such as dividends and interest receipts, may be freely

transferred. A foreign-owned firm may also raise foreign currency loans both from its parent corporation and credit institutions abroad.

Expropriation and Compensation

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Private property is only expropriated for public purposes, in a non-discriminatory manner, with reasonable com There have been no major disputes over investment in Sweden in recent years. The country has written and consistently applied commercial and bankruptcy laws, and secured interests in property are recognized and enforced.

Sweden is a member of the International Center for the Settlement of Investment Disputes and is a signatory to the New York Convention on the Recognition and Enforcement of Foreign Arbitration Awards. The Arbitration Institute of the Stockholm Chamber of Commerce is one of the leading arbitration centers in the world, with many of its cases originating in East-West business relations. An agreement between the American Arbitration Association and the Russian Federation Chamber of Commerce, stemming back to the 1990's, provides for arbitration to take place in Sweden under the rules of the United Nations Commission on International Trade Law, with the Stockholm Chamber of Commerce administering the cases and acting as appointing authority if needed.

pensation, and in accordance with established principles of international law.

Dispute Settlement

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Performance Requirements and Incentives

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Sweden imposes no performance requirements on presumptive foreign investors.

Right to Private Ownership and Establishment

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Rights of this kind are not specifically written into Swedish law, but individuals and Swedish entities are well protected by the legal system. Private and public enterprises enjoy equal access to markets necessary for conducting business operations.

Protection of Property Rights

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Swedish law generally provides adequate protection of all property rights, including intellectual property. As a member of the European Union, Sweden adheres to a series of multilateral conventions on industrial, intellectual, and commercial property.

Patents - Protection in all areas of technology may be obtained for 20 years. Sweden is a party to the Patent Cooperation Treaty and the European Patent Convention of 1973; both entered into force in 1978.

Copyrights - Sweden is a signatory to various multilateral conventions on the protection of copyrights, including the Berne Convention of 1971, the Rome Convention of 1961, and the WTO's trade related intellectual property (TRIPS) agreement. Swedish copyright law protects computer programs and databases. More recently, Sweden gained notoriety as somewhat of a safe haven for internet piracy, due to rapid internet connection speeds, a lag in implementing EU Directives, and weak enforcement efforts. Over the course of 2009, however, Sweden implemented the EU's Intellectual Property Rights Enforcement Directive (IPRED) 2004/48/EC, and continued to step up its enforcement against internet piracy. The last few years also saw the conviction of the operators behind the Pirate Bay.org, a notorious BitTorrent tracker for illegal file-sharing, and an increase in legal file-sharing. The 2010 appeal trial upheld the guilty verdict, signaling that Sweden is no longer a safe haven for internet piracy. Legislative measures, combined with added resources on the enforcement side and the emergence of successful legal alternative such as Sweden-based sites Spotify and Voddler all contributed to a substantial increase in 2010-2011 for music and film distribution using legal means.

Trademarks - Sweden protects trademarks under a specific trademark act (1960:644) and is a signatory to the 1989 Madrid Protocol.

Trade secrets - proprietary information is protected under Sweden's patent and copyright laws unless acquired by a government ministry or authority, in which case it may be made available to the public on demand.

Transparency of Regulatory System

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As an EU member, Sweden has altered its legislation to comply with the EU's stringent rules on competition. The country has made extensive changes in its laws and regulations to harmonize with EU practices, all with a view to avoiding distortions in or impediments to the efficient mobilization and allocation of investment.

Efficient Capital Markets and Portfolio Investment

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Credit is allocated on market terms and is made available to foreign investors in a non-discriminatory fashion. The private sector has access to a variety of credit instruments. Legal, regulatory, and accounting systems are transparent and consistent with international norms.

The Stockholm Stock Exchange (Stockholmsbörsen) is a modern, open, and active forum for domestic and foreign portfolio investment. It is an official institution and operates under specific legislation.

The banking crisis of the early 1990s changed the structure of the banking sector, with a large number of savings banks being converted into commercial banks. Several foreign banks have established branch offices in Sweden, and several niche banks have started to compete in the retail bank market. Danske Bank is the largest foreign bank and the fifth largest bank in Sweden. A deposit insurance system was introduced in 1996, whereby individuals received protection of up to SEK 250,000 (\$32,700) of their deposits in case of bank insolvency. This guarantee was increased to SEK 500,000 (\$65,400) in the fall of 2008 in response to the onset of the global financial crisis, and altered to cover all types of accounts, regardless of the availability of account funds for withdrawal. On December 31, 2010, the maximum compensation was raised again as a result of amendments in the EC directive and is now the SEK equivalent of 100,000 euro (\$132,300).

Competition from State Owned Enterprises

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Private enterprises compete with public enterprises under the same terms and conditions with respect to access to markets, credit, and other business operations.

The Swedish state is Sweden's largest company owner and employer. As of December 2011, fifty-eight companies/concerns are managed through the Government Offices, 43 of which are entirely state-owned, state-owned and 15 companies partially state-owned. Approximately 183,000 people are employed by these companies. As mentioned above, the government has committed to privatizing some of them, but even after the conclusion of that process -- which has been delayed by the financial crisis -- several major actors will remain. Sectors which feature State-Owned Enterprises include energy/power generation, forestry, mining, finance, telecom, postal services, gambling, and liquor retail sales.

These companies operate under the same laws as private companies, although the government appoints board members representing the owners. Like private companies, SOE's have appointed boards of directors, and the government is constitutionally prevented from direct involvement in the company's operations. Like private companies, SOE's publish their annual reports, and they are subject to independent audit.

There is no sovereign wealth fund in Sweden.

Corporate Social Responsibility

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There is wide-spread awareness of corporate social responsibility among both producers and consumers in Sweden. Firms who pursue CSR are viewed favorably, often publicizing their adherence to generally accepted CSR principles such those contained in OECD guidelines.

Political Violence

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Sweden is politically stable and no changes are expected.

Corruption

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For those interested to invest in Sweden, corruption will probably not be an issue. While there have been cases of domestic corruption at the municipal level, most companies have high anti-corruption standards and an investor would not typically be put in the position of having to make a bribe to do business here.

However, it's possible that some Swedish companies operating overseas have indulged in bribery of foreign officials. Although Sweden has comprehensive laws against corruption, and has ratified the 1997 OECD Anti-bribery Convention, in June of 2012 the OECD Anti-Bribery Working Group gave an unfavorable review of Swedish compliance to the dictates of that Convention. The group faulted Sweden for not having a single conviction of a Swedish company for bribery in the last eight years, for having unreasonably low fines, and for not re-framing their legal system so that a corporation could be charged with a crime. Swedish officials object to the review, claiming that lack of convictions is not proof of prosecutorial indifference, but rather indicative of high standards of ethics in Swedish companies. Recently, several high profile bribery scandals call that into question, and Swedish officials are responding with vigilance.

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: <http://www.justice.gov/criminal/fraud/>

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. This country is party to [add instrument to which this country is party], but generally all countries prohibit the bribery and solicitation of their public officials.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see <http://www.oecd.org/dataoecd/59/13/40272933.pdf>). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA. [Insert information as to whether your country is a party to the OECD Convention.]

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery. [Insert information as to whether your country is a party to the UN Convention.]

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive

measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see <http://www.oas.org/juridico/english/Sigs/b-58.html>) [Insert information as to whether your country is a party to the OAS Convention.]

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco.) [Insert information as to whether your country is a party to the Council of Europe Conventions.]

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and transnationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: <http://www.ustr.gov/trade-agreements/free-trade-agreements>. [Insert information as to whether your country has an FTA with the United States: Country [X] has a free trade agreement (FTA) in place with the United States, the [name of FTA], which came into force. Consult USTR Website for date: <http://www.ustr.gov/trade-agreements/free-trade-agreements>.]

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department’s U.S. and Foreign Commercial Service can provide assistance with navigating the host country’s legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company’s overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department’s Advocacy Center and State’s Office of Commercial and Business Affairs.

Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center “Report A Trade Barrier” Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice’s (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department’s present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ’s Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

POST INPUT: Public sector corruption, including bribery of public officials, [remains a major/minor challenge for U.S. firms operating in xxx xxx. Insert country specific corruption climate, enforcement, commitment and information about relevant anticorruption legislation.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a “Lay-Person’s Guide to the FCPA” is available at the U.S. Department of Justice’s Website at: <http://www.justice.gov/criminal/fraud/fcpa>.
- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/departement/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: <http://www.oecd.org/dataoecd/11/40/44176910.pdf>.
- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.

- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See <http://www.transparency.org/publications/gcr>.
- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See <http://info.worldbank.org/governance/wgi/index.asp>. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: <http://data.worldbank.org/data-catalog/BEEPS>.
- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See <http://www.weforum.org/s?s=global+enabling+trade+report>.
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: <http://report.globalintegrity.org/>.

Bilateral Investment Agreements

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Sweden has concluded investment protection agreements with the following countries: Albania, Algeria, Argentina, Armenia, Belarus, Bolivia, Bosnia and Herzegovina, Bulgaria, Chile, China, Cote d'Ivoire, Croatia, Czech Republic, Ecuador, Egypt, Estonia, Ethiopia, Georgia, Guatemala, Hong Kong, Hungary, India, Indonesia, Iran, Kazakhstan, Kyrgyzstan, Kuwait, Laos, Latvia, Lithuania, Lebanon, Madagascar, Macedonia, Malaysia, Malta, Mauritius, Mexico, Mongolia, Morocco, Mozambique, , Nicaragua, Nigeria, Oman, Pakistan, Panama, Peru, Philippines, Poland, Republic of Korea, Romania, Russian Federation, Saudi Arabia, Senegal, Serbia, Slovakia, Slovenia, South Africa, Sri Lanka, , Tanzania, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, Uruguay, Uzbekistan, Venezuela, Vietnam, Yemen and Zimbabwe.

There is a bilateral taxation agreement between the U.S. and Sweden, but no bilateral investment protection agreement.

OPIC and Other Investment Insurance Programs

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Not applicable.

Labor

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Sweden's labor force of 4.6 million is disciplined, well-educated, and experienced in all modern technologies. About 71 percent of the workforce belongs to labor unions. Swedish unions have helped to implement business rationalization, and strongly favor employee education and technical progress. ~~Management-labor~~Management labor cooperation is generally excellent and nonconfrontational.

The cost of doing business in Sweden is generally comparable to most OECD countries, though some country-specific cost advantages are present. Overall salary costs have become increasingly competitive due to relatively modest wage increases over the last decade and a favorable exchange rate. This development is even more pronounced for highly qualified personnel and researchers. The leverage in terms of high productivity and skills is substantial and offers investors good value for money.

There is no fixed minimum wage by legislation. Instead, wages are set by collective bargaining. The traditionally low wage differential has increased in recent years as a result of increased wage setting flexibility at the company level. Still, Swedish unskilled employees are relatively well paid, while well-educated Swedish employees are low-paid compared to those in competitor countries. The average increases in real wages in recent years have been high by historical standards, in large due to price stability. Even so nominal wages in recent years have been slightly above those in competitor countries, about 3 percent annually.

Employers must pay social security fees of about 31.5 percent. The fee consists of statutory contributions for pensions, health insurance and other social benefits. For employees under 25, the fee is 15.5 percent.

Sweden has co-determination legislation, which provides for labor representation on the boards of corporate directors once a company has reached a certain size. This law also requires management to negotiate with the appropriate union or unions prior to implementing certain major changes in company activities. It calls for a company to furnish information on many aspects of its economic status to labor representatives. But in the end, management has the final say. Labor and management usually find this system works to both sides' benefit.

Sweden has ratified most International Labor Organization (ILO) conventions dealing with workers rights, freedom of association, collective bargaining, and the major working conditions and occupational safety and health conventions.

Foreign-Trade Zones/Free Ports

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Sweden has foreign trade zones with bonded warehouses in the ports of Stockholm, Göteborg, Malmö, and Jonköping. Goods may be stored indefinitely in these zones without customs clearance, but they may not be consumed or sold on a retail basis. Permission may be granted to use these goods as materials for industrial operations within a free trade zone. The same tax and labor laws apply to foreign trade zones as to other workplaces in Sweden.

Foreign Direct Investment Statistics

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Swedish Direct Investments abroad resulted in an outflow of SEK 119 billion during the first three quarters of 2012, compared to SEK 138 billion during the first three quarters of 2011. Foreign Investments in Sweden during the equivalent quarters of 2012 resulted in an inflow of SEK 52 billion, down by 79 billion compared to the first three quarters of 2011. This resulted in a net outflow of SEK 68 billion (\$10.1 billion) the first three quarters of 2012, up from SEK 8 billion (\$1.9 billion) for the corresponding period in 2011.

Both the origin of foreign direct investments in Sweden, as well as the net result of Swedish direct investments abroad fluctuates greatly from year to year. The major actors are usually the U.S. and countries within the EU.

Table I: Flow of FDI into Sweden (SEK Million)

A positive value indicates that investment is larger than disinvestment.

Figures for 2012 are 1-3 Q

Selection of countries	2010	2011	2012
OECD	-31,244	91,324	14,164
EU27	-25,179	4,410	-746
United States	-18,330	21,779	9,211
Total	-1,971	60,038	51,927
Percentage of GDP	0.3	2.7	1.9

Source: National Board of Trade

Table II: Stock of FDI in Sweden (SEK Billion)

Selection of countries	2009	2010	2011
OECD	2,236	2,218	2,268
EU	1,849	1,859	1,885
United States	164	146	158
Asia	25	34	33
The Nordic countries	567	527	532
Total	2,355	2,321	2,362
Percentage of GDP	82	76	63

Source: Statistics Sweden

Table III: Flow of Swedish FDI abroad (SEK Million)

A negative value indicates a net out-flow from Sweden

Figures for 2012 are 1-3 Q

Selection of countries	2010	2011	2012
OECD	-34,022	-60,783	-3,429
EU27	41,520	-38,441	-3,656
United States	-54,845	-1,965	333
Total	-145,431	-182,722	-119,472
Percentage of GDP	4.0	5.1	4.6

Source: National Board of Trade

Table IV: Swedish Stock of FDI Abroad (SEK Billion)

Selection of countries	2009	2010	2011
OECD	2,182	2,153	2,242
EU	1,588	1,484,	1,536
United States	258	412	418
The Nordic countries	671	637	650
Asia	112	129	142
Total	2,461	2,451	2,544
Percentage of GDP	87	80	68

Source: Statistics Sweden

Major Foreign Investors

Major foreign investment in the past few years has been in the chemical and pharmaceutical industry, as well as in the energy sector. Other sectors that figure prominently are the IT-sector, consulting services, staffing services, and the defense industry.

Major U.S. investors, in terms of number of employees in Sweden:

Company	# of employees in Sweden
Manpower	10,800
General Electric	7,300
IBM	3,200
Ernst & Young	1,800
Hewlett Packard	1,400

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Chapter 7: Trade and Project Financing

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How Do I Get Paid (Methods of Payment)

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Common terms of sale are payment within 30 or 90 days after delivery or against documents. Payment is normally prompt, with interest charged and paid if payment is late. All normal methods of payment are used but the most common and preferred method of payment is open account. The use of letters of credit is rare.

An U.S. exporter looking to recover debts should contact the Association of Swedish Debt Collectors for information on and contact with debt collecting agencies. The Association can be reached on: www.svenskinkasso.se
Credit reports on Swedish companies can be obtained by contacting any of the sources below:

Dun & Bradstreet Sverige AB, <http://www.dnbsweden.se>

Syna AB, www.syna.se

UC AB, <http://www.uc.se>

(UC AB, the Swedish Business and Credit Information Agency, is jointly owned by all Swedish commercial banks).

How Does the Banking System Operate

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The Swedish banking system is made up of four main categories: Swedish commercial banks (joint-stock banks), foreign banks, savings banks and co-operative banks. All the above-mentioned types of banks are - since the amendment of banking legislation in 1969 - entitled to operate in all areas of banking. In December 2012 Sweden had a total of 117 banks

In 1986, Sweden issued a charter for the first 12 foreign-owned commercial banks and since 1990 foreign-owned banks have been entitled to open branch offices in Sweden. These branch offices have primarily concentrated on servicing the business sector. Also in 1990, the restrictions concerning foreign ownership of Swedish bank stock were abolished. In December 2012 there were a total of 29 foreign banks represented in Sweden, the largest being the Danske Bank, which is the fifth largest bank in Sweden.

The banks' activities are closely supervised by the Swedish Financial Supervisory Authority (Finansinspektionen) (<http://www.fi.se>) to ensure that all necessary standards are met. Swedish banks' financial statements meet the international standards well and are audited by internationally recognized auditors only.

The Swedish Bankers' Association (<http://www.bankforeningen.se>) represents banks and financial institutions in Sweden. The association works closely with regulators and policy makers in Sweden and Europe. It also establishes joint rules in matters of common interest in the Swedish banking industry, such as payment infrastructure and security issues. The association also informs the public about the banking sector.

The four largest Swedish banks are Nordea (MeritaNordbanken Group's bank in Sweden), Skandinaviska Enskilda Banken (SEB), Svenska Handelsbanken and Swedbank .

Foreign-Exchange Controls

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Foreign exchange restrictions in Sweden were removed in 1991. Commercial transactions are in general not subject to any restrictions. There are no restrictions on remittances of profits, or from investment liquidation proceeds. Royalty and license fee payments may be freely transferred out of Sweden. Moreover, yields on invested funds, such as dividends and interest receipts, are usually freely transferred.

U.S. Banks and Local Correspondent Banks

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The American banks and financial institutions represented in Sweden are Citibank and GE Money Bank.

Citibank, www.citigroup.com

GE Money Bank AB, www.gemoneybank.se

List of Swedish banks with correspondent U.S. banking arrangement

Nordea
Smalandsgatan 17
S-105 71 Stockholm
Tel: Int/46/8-614 7000
www.nordea.com

Nordea Bank Finland, Plc
437 Madison Avenue
New York, NY 10022
Tel: (212) 318 9300
www.nordea.com

Svenska Handelsbanken AB
Kungstradgardsgatan 2
S-106 70 Stockholm
Tel: Int/46/8-701 1000
www.handelsbanken.se

Svenska Handelsbanken
875 Third Avenue, 4th floor
New York, NY 10022-7218
Tel: (212) 326-5100
www.handelsbanken.us

SE-Banken
Kungstradgardsgatan 8
S-106 40 Stockholm
Tel: Int/46/771-62 10 00

Skandinaviska Enskilda Banken
245 Park Avenue, 33rd floor
New York, NY 10167
Tel: (212) 573-9867

Project Financing

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EU financial assistance programs provide a wide array of grants, loans, loan guarantees and co-financing for feasibility studies and projects in a number of key sectors (e.g., environmental, transportation, energy, telecommunications, tourism, public health). A number of centralized financing programs are also generating procurement and other opportunities directly with EU institutions. From a commercial perspective, these initiatives create significant market opportunities for U.S. businesses, U.S.-based suppliers, and subcontractors. The EU supports projects within its member states, as well as EU-wide "economic integration" projects that cross both internal and external EU borders. In addition, the EU provides assistance to accession countries in Eastern and Southern Europe, Iceland and Turkey, as well as some of the former Soviet republics.

The EU provides project financing through grants from the European Commission and loans from the European Investment Bank. Grants from the Structural Funds are distributed through the member states' national and regional authorities, and are only available for projects in the 27 (soon to be 28) EU member states. All grants for projects in non-EU countries are managed through the Director-General EuropeAid in conjunction with various European Commission departments, such as DG Regional Development.

EU Structural Funds

EU Structural Funds, including the European Regional Development Fund, were created in 1975 to assist economically depressed regions of the European Union that required industrial restructuring. From 2007 – 2013, the EU earmarked EUR 308 billion for projects under the Structural Funds and the Cohesion Fund programs. In addition to funding economic development projects proposed by member states or local authorities, EU Structural Funds also support specialized projects promoting EU socioeconomic objectives. Member states negotiate regional and "sectoral" programs with officials from the regional policy Directorate-General at the European Commission. For information on approved programs that will result in future project proposals, please visit: http://ec.europa.eu/regional_policy/atlas2007/index_en.htm

For projects financed through the Structural Funds, member state officials and regional authorities are the key decision-makers. They assess the needs of their country; investigate projects; evaluate bids; and award contracts. To become familiar with available financial support programs in the member states, it is advisable for would-be contractors to meet with DG Regional Development officials and local officials in Member States to discuss local needs.

Tenders issued by member states' public contracting authorities for projects supported by EU grants are subject to EU public procurement legislation if they meet the EU minimum contract value requirement for the eligible sector. Below this threshold, tender procedures are subject to national procurement legislation and EU Treaty rules. There are no overt prohibitions against the participation of U.S. companies, either as developers or concessionaires of projects supported partially by the Structural Funds, or as bidders on subsequent public tenders related to such projects, but it is highly

advisable to team up with a local partner to gain credibility and demonstrate references.. All Structural Fund projects are co-financed by national authorities and most may also qualify for a loan from the European Investment Bank. The private sector is also involved in project financing. For more information on these programs, please see the market research section on the website of the U.S. Mission to the EU:

<http://export.gov/europeanunion/marketresearch/index.asp>

The Cohesion Fund

The Cohesion Fund is another instrument of EU structural policy. Its EUR 61.5 billion (2007-2013) budget seeks to improve cohesion within the EU by funding transport infrastructure and environmental projects in Portugal, Spain, Greece and the twelve new (since 2004) EU member states from Central and Eastern Europe. These projects are generally co-financed by national authorities, the European Investment Bank, and the private sector.

Key Link: http://ec.europa.eu/regional_policy/thefunds/cohesion/index_en.cfm

Other EU Grants for Member States

Another set of sector-specific grants offers assistance to EU member states in the fields of science, technology, communications, energy, environmental protection, education, training and research. Tenders related to these grants are posted on the various websites of the directorates-generals of the European Commission. Conditions for participation are strict and participation is usually restricted to EU firms or tied to EU content. Information pertaining to each of these programs can be found on:

http://ec.europa.eu/grants/index_en.htm

External Assistance Grants

“Development and Cooperation – EuropeAid” is a new Directorate–General (DG) responsible for designing EU development policies and delivering aid through programs and projects across the world. It incorporates the former Development and EuropeAid DGs. Its website offers extensive information on the range of grant programs, the kind of projects that are eligible, as well as manuals to help interested parties understand the relevant contract law. However, participation in these calls for tender is reserved for enterprises located in the EU member states or in the beneficiary country and requires that the products used to respond to these projects are manufactured in the EU or in the aid recipient country. Consultants of U.S. nationality employed by a European firm are allowed to form part of a bidding team. European subsidiaries of U.S. firms are eligible to participate in these calls for tender.

Key Link: http://ec.europa.eu/europeaid/index_en.htm

The EU also provides specific Pre-Accession financial assistance to the accession candidate countries that seek to join the EU through the “Instrument for Pre-accession Assistance” (IPA). Also, the European Neighborhood and Partnership Instrument (ENPI) will provide assistance to countries that are the Southern Mediterranean and Eastern neighbors of the EU.

IPA focuses on priorities linked to the adoption of the *acquis communautaire* (the body of European Union law that must be adopted by accession candidate countries as a precondition to accession), i.e., building up the administrative and institutional capacities and financing investments designed to help them comply with European Commission law. IPA will also finance projects destined to countries that are potential candidate countries, especially in the Balkans. The budget of IPA for 2007-2013 is €11.4 billion. Key Link: http://ec.europa.eu/enlargement/index_en.htm

The European Neighborhood Policy program (ENPI) covers the EU's neighbors to the east and along the southern and eastern shores of the Mediterranean i.e. Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, the Palestinian Authority, Syria, Tunisia and Ukraine. ENPI budget is €11.9 billion for 2007-2013.

http://ec.europa.eu/world/enp/index_en.htm

Loans from the European Investment Bank

Headquartered in Luxembourg, the European Investment Bank (EIB) is the financing arm of the European Union. Since its creation in 1958, the EIB has been a key player in building Europe. As the EIB's lending practices evolved over the years, it became highly competent in assessing, reviewing and monitoring projects. As a non-profit banking institution, the EIB offers cost-competitive, long-term lending in Europe. Best known for its project financial and economic analysis, the Bank makes loans to both private and public EU-based borrowers for projects in all sectors of the economy, such as telecommunications, transport, energy infrastructure and environment.

While the EIB mostly funds projects within the EU, it lends outside the EU as well (e.g., in Central, Eastern and Southeastern Europe; Latin America; and Pacific and Caribbean states). In 2012, the EIB lent EUR 52 billion for projects. The EIB also plays a key role in supporting EU enlargement with loans used to finance improvements in infrastructure, research and industrial manufacturing to help those countries prepare for eventual EU membership.

Projects financed by the EIB must contribute to the socioeconomic objectives set out by the European Union, such as fostering the development of less favored regions; improving European transport and telecommunication infrastructure; protecting the environment; supporting the activities of SMEs; assisting urban renewal; and, generally promoting growth, competitiveness and employment in Europe. The EIB created a list of projects to be considered for approval and posted the list on its website. As such, the EIB website is a source of intelligence on upcoming tenders related to EIB-financed projects: <http://www.eib.org/projects/pipeline/index.htm>

The EIB presents attractive business opportunities to U.S. businesses. EIB lending rates are lower than most other commercial rates. Like all EIB customers, however, U.S. firms must apply the loan proceeds to a project that contributes to the European objectives cited above.

EU websites:

The EU regional policies, the EU Structural and Cohesion Funds:
http://ec.europa.eu/regional_policy/index_en.htm

EU Grants and Loans index: http://ec.europa.eu/grants/index_en.htm

EuropeAid Co-operation Office: http://ec.europa.eu/europeaid/index_en.htm

EU tender repository: <http://ted.europa.eu/TED/main/HomePage.do>

Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

(Insert a link to the applicable Multilateral Development Bank here and any other pertinent web resources.)

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Chapter 8: Business Travel

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- [Travel Advisory](#)
- [Visa Requirements](#)
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Business Customs

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The business traveler to Sweden will quickly realize that while most customs and procedures are similar to the United States there are a few quite noticeable differences. After arriving in the world class Arlanda airport, one can catch a cab to center Stockholm, being sure to ask for the fixed fee before departing, all very standard. The difference is that the cab driver will open the door for you and help you with your luggage.

Swedes tend to be less formal than Americans are in all but two areas, “toasting guests” and dinner parties. The procedure is well defined and best explained by your Swedish host. If one remembers to make strong eye contact before and after a “toast” and not to drink until the host “toasts” you, the rest will fall into place. The guest of honor usually is seated to the left of the hostess and is responsible for offering the “thanks” or behalf of all the guests in a toast to the host and hostess.

There is an anecdote that concludes the Swedish worker is the most efficient in the world, unfortunately he only works 8 months a year. Swedish workers do get 5 weeks of vacation each year. Nothing of import happens in Sweden during the month of July. July begins the day before mid-summer’s night June 20 and ends in mid August. The Christmas celebration actually begins when the country shuts down for the Nobel Prize ceremonies December 10, and the St Lucia festival December 13. Business is usually back to normal after Orthodox Christmas in January. The month of May has three official holidays, making it the month of long weekends. Consequently the business traveler should focus on specific periods, e.g., September 15 to December 10, January 15 to April 30, and early June. Business is conducted during the vacation periods, but the senior management is often not available.

Swedish business people appear to be willing to spend more time discussing a situation than do Americans. During a business meeting there is always time to get to know each other and to discuss the program in sufficient detail that all feel comfortable with each other’s position. Promptness for meetings and functions is very important, as is organization, be it company matters or an event.

Travel Advisory

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U.S. travelers to Sweden must have a valid passport. A tourist or business visa is not required for stays up to 3 months. This 90-day period begins when entering the Nordic area: Sweden, Norway, Denmark, Iceland or Finland.

For further information concerning entry requirements for Sweden, travelers can contact the Swedish Embassy at 2900 K Street, NW, Washington, D.C. 20007, telephone: (202) 467-2600. Sweden has no vaccination requirements.

Medical care is widely available in Sweden. U.S. medical insurance is not always valid out of the United States. Travelers have found that in some cases, supplemental medical insurance with specific overseas coverage has proved to be useful. Further information on health matters can be obtained from the Center for Disease Control International Travelers' telephone hot line at (404) 332-4559.

Visa Requirements

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(Include information here on visa requirements entering this country.)

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/>

(Insert here the web address for the consular section of the local embassy website.)

Telecommunications

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U.S. travelers to Sweden must have a valid passport. A tourist or business visa is not required for stays up to 3 months. This 90-day period begins when entering the Nordic area: Sweden, Norway, Denmark, Iceland or Finland.

For further information concerning entry requirements for Sweden, travelers can contact the Swedish Embassy at 2900 K Street, NW, Washington, D.C. 20007, telephone: (202) 467-2600. Sweden has no vaccination requirements.

U.S. Companies that require travel of foreign businesspersons to the United States should refer to the State Department website for information on visa and entry requirements:

http://travel.state.gov/visa/visa_1750.html

Sweden is a member of the Visa Waiver Program, which means Swedish passport holders may be eligible to apply for a visa-free travel to the U.S. for a period of stay up to 90 days. Travelers without visas are required to apply for an Electronic System for

Travel Authorization (ESTA) by going to the following website, available in English and Swedish:

<https://esta.cbp.dhs.gov/esta>

More information on visas requirements and the application process is available at the U.S. Embassy in Sweden website:

<http://sweden.usembassy.gov/visas.html>

Transportation

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Visitors can access Sweden by air or by ferry. Sweden enjoys a modern infrastructure and all modes of transportation are available. In addition to busses and taxis, a high-speed train is available from Arlanda airport to downtown Stockholm.

Language

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The native language is Swedish. English is the second language in Swedish schools. Most people understand English, and this is certainly true of the business community.

Health

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Medical care is widely available in Sweden. U.S. medical insurance is not always valid out of the United States. Travelers have found that in some cases, supplemental medical insurance with specific overseas coverage has proven useful. Further information may be obtained from the Center for Disease Control International Travelers' telephone hot line at (404) 332-4559.

Local Time, Business Hours, and Holidays

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Local time: GMT + 1 hour

Business hours: 8 am – 5 pm

Holidays for 2013

New Year's Day: January 1

Epiphany: January 6

Good Friday and Easter Monday, March 29-April 1

Swedish Labor Day: May 1

Ascension Day: May 9

Swedish National Day June 6

Mid- Summer Day: June 21-22

All Saints Day: November 1

Christmas: December 24-26

New Year's Eve: December 31

Offices are also closed on Mid-Summer's Eve, Christmas Eve, and New Year's Eve. Government and many business offices generally close at 1:00 p.m. on the day before major holidays.

Temporary Entry of Materials and Personal Belongings

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Sweden honors the ATA Carnet, an international customs document designed to simplify customs procedures for business and professional people taking commercial samples, advertising materials or film, or medical or professional equipment into specified countries for a short period. More than 40 countries participate in the carnet system. The U.S. Council of the International Chamber of Commerce, 1212 Avenue of the Americas, New York, NY 10036-4480 (fax 212-944-0012, tel. 212-354-4480) has been designated by the U.S. Bureau of Customs as the U.S. issuing and guaranteeing organization. U.S. firms should write to the U.S. Council at its New York address to apply for ATA Carnets. U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security options are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

Local Embassy Consular Website: <http://www.usemb.se/consulate/index.html>

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http://travel.state.gov/travel/warnings_consular.html

State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas. gov: <http://www.unitedstatesvisas.gov/>

<http://travel.state.gov/travel/sweden.html>

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Chapter 9: Contacts, Market Research and Trade Events

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Ministries

Ministry of Agriculture

<http://www.sweden.gov.se/sb/d/2064>

Ministry of Defense

<http://www.sweden.gov.se/sb/d/2060>

Ministry of Education and Research

<http://www.sweden.gov.se/sb/d/2063>

Ministry of Finance

<http://www.sweden.gov.se/sb/d/2062>

Ministry of Health and Social Affairs

<http://www.sweden.gov.se/sb/d/2061>

Ministry of Enterprise, Energy and Communications

<http://www.sweden.gov.se/sb/d/2067>

Ministry of Justice

<http://www.sweden.gov.se/sb/d/584>

Ministry of the Environment

<http://www.sweden.gov.se/sb/d/2066>

- Government Agencies

The Swedish Transport Administration

(Trafikverket)

<http://www.trafikverket.se/Om-Trafikverket/Andra-sprak/English-Engelska/>

The Swedish Defense Materiel Administration

(FMV)

<http://www.fmv.se/en/>

The Swedish Civil Aviation Administration

(Luftfartsverket)
<http://www.lfv.se/en/>

The Swedish National Post & Telecom Agency
(Post & Telestyrelsen)
<http://www.pts.se/en-gb/>

The Swedish National Police Board
(Rikspolisstyrelsen)
<http://www.polisen.se/en/Languages/Startpage/>

The Swedish Radio and TV Authority
(Myndigheten för Radio och TV)
<http://www.radioochtv.se/>

The Swedish Maritime Administration
(Sjöfartsverket)
<http://www.sjofartsverket.se/en/>

Swedish National Food Administration
(Statens Livsmedelsverk)
<http://www.slv.se/en-gb/>

The Swedish Board of Customs and Excises
(Tullverket)
<http://www.tullverket.se/en/startpage.4.4ab1598c11632f3ba9280002814.html>

The Swedish Agency for Public Management
<http://www.statskontoret.se/in-english/>

Statistics Sweden
(SCB)
http://www.scb.se/default____2154.aspx

Swedish Agency for Economic and Regional Growth
(Tillväxtverket)
<http://www.tillvaxtverket.se/huvudmeny/englishpages.4.21099e4211fdb8c87b800017332.html>

Swedish National Board of Trade
(Kommerskollegium)
<http://www.kommers.se/In-English/>

The Patent and Trademark Office
<http://www.prv.se/en/>

- Trade Associations

Swedish Federation of Trade
(Svensk Handel)

<http://www.svenskhandel.se>

The Swedish Association of Agents
(Agenturforetagen)

<http://www.agenturforetagen.se/en/>

The Swedish IT and Telecom Industries
(IT&Telecom Företagen)

<https://www.havochvatten.se/om-oss.html>

Confederation of Swedish Enterprise
(Svenskt Näringsliv)

http://www.svensknaringsliv.se/english/;jsessionid=2538649D9311067C2AE503FF01FFE193?csref=_umk_english

Branschkansliet (trade association for various sectors)

<http://www.branschkansliet.se>

The Swedish Plastics and Chemicals Federation
(Plast & Kemiforetagen)

<http://www.plastkemiforetagen.se/en/Pages/start2.aspx>

The Furniture Importers' Trade Association

<http://www.mibo.se/en>

- Chambers of Commerce

American Chamber of Commerce

<http://www.amchamswe.se>

Stockholm Chamber of Commerce

Stockholms Handelskammare

<http://www.chamber.se/?id=6137>

West Sweden Chamber of Commerce

<http://www.handelskammaren.net/en/>

Malmö Chamber of Commerce

<http://www.handelskammaren.com/nc/en/>

U.S. Embassy Contacts>

Julie Snyder, Senior Commercial Officer

<http://export.gov/sweden/>

To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/mrktresearch/index.asp> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

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Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents/index.asp>

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Chapter 10: Guide to Our Services

The President's National Export Initiative aims to double exports over five years by marshaling Federal agencies to **prepare U.S. companies to export successfully, connect them with trade opportunities** and **support them once they do have exporting opportunities**.

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: (Insert link to Products and Services section of local buyusa.gov website here.)

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRAD(E)**.

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

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